The Financial Post

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Steel's Mediator

Thomas Francis Rahilly, 54 and Irish, has a knack of getting along with people. That, and his reputation in both labor and management circles as a square shooter, will help him in his new and responsible task as mediator of non-wage issues between Stelco and the United Steel Workers (CIO) at Hamilton. Tom Rahilly, president of Toronto Iron Works, knows a lot about steel and steel workers from 23 years' association with Algoma at the Soo and after two years as adviser to Ottawa's wartime Steel Control authority. Biographical sketch, page 6.)

THE NATION'S BUSINESS

U.S. Invisible Tariff Blocks Real Reform

When Canadian and American trade negotiators get their feet under the same table this fall there must be some plain speaking. U.S. spokesmen since the war have been loudly championing freer trade. They have, and rightly, blamed a good deal of the world's pre-war trouble and misery on the crazy barriers against international trade, barriers that kept cheap and needed goods out of scores of countries and encouraged sky-high domestic costs.

What these spokesmen have failed to mention or admit, however, is that their own United States was one of the greatest offenders, not only in direct and excessive tariffs but in something even more effective in keeping the other fellow's goods out, fantastic customs regulations and administration.

So completely did the latter block imports of many Canadian manufactured goods, that for years industrial commissioners have been quietly advising those who contemplated building factories in this country with a view to exporting to the U. S. that they might as well save their money. Even if the visible tariff looked reasonable or possible, there was still the other, the "invisible" tariff of customs jokers, hidden classifications, quarantines, delays, special appraisals, valuations, etc. Just how effective the latter has been in barring our goods is outlined in a special article on page 15 of this issue. With some sensible reform it is estimated there might be jobs for another 100,000 industrial workers in Canada.

Our negotiators must make very sure that any concessions offered by the United States are real concessions, that imposing percentage cuts in the general American tariff are not to be completely offset by this invisible tariff, that there is a complete change of heart on the part of those who administer the U. S. customs.

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No Cause For Jubilation Here

The 10,500 steel workers who went on strike July 15 at Hamilton, Sydney and Sault Ste. Marie lost between $4 and $5 millions in wages, and cost the country 5.5 million man hours of production.

It will take the Hamilton workers alone 226 weeks at the new maximum rates to gain as much as they would have done had they stayed at work and accepted the company's offer.

Does the four or five millions lost wage dollars seem insignificant in these days of vast figures? The loss represents up to a thousand good homes or perhaps 3,000 fine new automobiles. It is a big sum of money to workers and to the community.

But that's only a small part of the real cost of the steel strike. Scores of steel-using plants have had to slow down or close altogether with resulting loss to their workers, their shareholders and the public treasury. Scores of construction projects, making jobs today and creating more jobs for tomorrow, have been held up. By creating new shortages in a time of dangerous shortages, Conroy, Millard and Co. have poured oil on inflation fires. And inflation hurts nobody so much as the worker.

Gratifying as it will be to get the Canadian steel supply flowing again, end of the steel strike does not justify throwing hats very high in the air. Steel workers may go back but there will still be 32,000 Canadians on strike, 11,600 in the rubber plants, 7,200 electrical workers, 1,400 at Anaconda Brass and almost 10,000 more in smaller units, including the paralyzing Brunner Mond tie-up at Amherstburg.

The signs point to Conroy and Millard intensifying their drive in the steel industry and preparing the next assault. Statements from both of them, especially during the course of the strike, make it clear that good jobs in a good industry is not the goal which they want for their followers. The CCF brand of revolution is what they want. Amicable, smooth-running relationships between workers and managers is not favorable to their cause; a climate of strife, dislocation and poor production is.

Unions Must Accept Responsibility

This steel incident dramatizes sharply the intolerable situation to which our society is exposed so long as unions successfully avoid accepting the responsibilities which go with power. Every other segment of our society has long accepted those responsibilities; unions alone do not.

Union officials claimed that some 3,100 voted in favor of the strike at Hamilton. But as Stelco's President Hilton properly pointed out: "This ballot was not secret and the only check consisted of several union officials who could see how each ballot was cast . . . . Actual strike action is understood to have been decided by a show of hands at a mass meeting in the Playhouse Theatre in Hamilton, July 14."

Union officials declared that this meeting "was attended by at least 2,500 men (who) decided unanimously to commence picketing."

To which Mr. Hilton adds: "According to the records in the office of the City Clerk in Hamilton, the seating capacity of this theatre is 666. It is a further known fact that the attendance included in addition to those members of Local 1005 present, members of local 3250 representing Canada Works of the company and others with no connection with the company. It is apparent therefore that the number stated to have attended the meeting must be a gross exaggeration and that, in fact, since the combined payrolls at Hamilton and Canada Works numbered over 6,000, not over 10% and probably less of those affected, actually attended the meeting at which the strike vote was said to have been passed unanimously by a show of hands."

Unionism will not serve itself well until it embraces operating methods which are more responsible and less open to abuse. Until it adopts the secret ballot for important membership decisions, trade unionism will be a dictatorship of the glib.

It isn't the vote that makes democracy different from totalitarian Russia or Germany. The totalitarian voting system is like the labor unions system. It is the secret vote that is important.

Aluminum Plants Idle U.S. Buys from Canada

Special Correspondence

WASHINGTON — Canadian aluminum may soon be sought by the United States in substantial quantities, The Financial Post is informed.

With five idle government-owned plants unable, because of power costs, to produce the metal at a competitive price—14c. a pound—aluminum users hold that subsidies for large-scale imports from Canada or subsidization of these high-cost plants, is the only way out.

There is considerable doubt that high-cost plants would be subsidized, however, for that would involve direct conflict with nonsubsidized aluminum manufacturers here. Moreover, many members of Congress have put on record their clear opposition to government-supported industries in peacetime; and there is no expectation that authorization of such a subsidy would be voted by the Congress. The alternative, then, would be bigger imports from Canada

The American aluminum industry, still gasping at the unexpected volume of postwar demand for its product, is just about ready to believe that the present demand for more than four times its pre-war output is here to stay

Problem for Expediter

Because a large part of present demand — already running from 30 million to 40 million lb. a month ahead of American production —stems from new uses of aluminum in housing, a choice of between subsidizing Canadian imports or high cost domestic production is up to Housing Expediter Wilson W. Wyatt.

Mr. Wyatt says no answer to this problem has yet been developed. For the time being, the subsidy question can be debated while the Civilian Production Administration orders monthly withdrawals from the Office of Metals Reserve stockpile of aluminum.

Unless aluminum requirements jump sharply, as they might if the airplane manufacturers get into production of aluminum houses soon, the CPA can bridge a gap of 30 million lb. between production and demand for another six months. Officials doubt, however, that the decision will be delayed in the face of a dwindling government stockpile.

Expansion of the domestic industry is believed unlikely, in view of the fact that the Department of Justice might frown upon expansion of the Aluminum Co. of America; and the Reynolds and Kaiser aluminum operations are still quite new, and not believed ready to undertake growth.

After the expiration of whatever method the Housing Expediter may work out to get the aluminum needed for the emergency housing program, domestic aluminum production will be supplemented by Canadian imports, CPA officials believe.

Price is Problem

A price problem will have to be resolved, however, for the Canadian price is 12c. lb. and a 3-cent tariff brings the cost up to one cent more than the established domestic price. (There is no price ceiling on aluminum.)

Although Mr. Wyatt may decide to offer a premium-payment to absorb this cost—which would involve use of public funds to offer in effect a refund on a tariff—the long-run solution of the aluminum shortage will involve either lowering the tariff or raising the domestic price.

The American aluminum industry is now producing at the rate of 100 million lb. a month, its top capacity for the plants operated.

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US Invisible Tariff Threat to Canada

Tens of thousands of Canadian jobs are at stake and millions of dollars in trade in jeopardy due to "invisible" tariffs raised by United States customs, which hamstring the intent and purpose of reciprocal trade agreements.

Why do Canadian importers have to pay 30% duty on tires when the U. S. tariff rate is listed at 10%?

What happens to the 15c. a gallon tax on imported mineral water when it's frozen?

The answers to these questions and a preview of the impending economic struggle to free trade barriers between Canada and the United States are contained in Kenneth R. Wilson's special report on p. 15 of this issue.

Ottawa Clings To Gas Tax

OTTAWA (Staff)—Despite heavy pressure from a number of provinces who want Ottawa to vacate the 3-cent gasoline tax, there is as yet no indication that the Government has weakened in its determination to retain the right to levy taxes in the "minor" tax fields.

Last week an Ottawa paper reported that Finance Minister Ilsley had told representatives of the Canadian Federation of Mayors that Ottawa was still determined not to vacate the fields of gasoline, gas and electricity taxes; that the federal government needed the money.

Almost immediately, it was officially denied that Mr. Ilsley had made such a statement or had committed himself one way or another about these tax fields. He apparently told the mayors that a discussion such as they were having was not the time to discuss budget policy; especially when this matter was actively under discussion with certain provinces.

Dominion Didn't Allow 'Fabulous' Shipping Profits

OTTAWA (Staff)—Widespread publicity to charges in Washington that U. S. shipping firms made fabulous profits during the war have no counterpart in Canada, The Financial Post is informed.

General run of fees and profits on ship contracts renegotiated by the Government was found to have been from $25,000 to $50,000 per ship. The largest single profit which any one firm made was about $65,000 before renegotiation. These figures apply to all vessels except the original orders for corvettes.

'Luxury' Building Rife Killing Houses, Plants

As Canada enters the fourth quarter of Postwar Year I, and the closing weeks of the 1946 building season, about $90 millions of "non-essential" construction is proceeding without let or hindrance in the proportion of one-to-three of essential construction.

It's nine months now since Ottawa relinquished its wartime ban on luxury building. Nine months during which the "hot potato" of postwar construction control has been juggled between the federal and the municipal jurisdictions. Months in which nonessential construction, according to competent construction observers, has been a major support of furious black-market buying of scarce building materials—including lumber, nails, brick, cement, plumbing equipment and gypsum products. And for lack of these, houses and factories are being built either at less than half the normal pace or not at all.

Somewhere around 3,500 "nonessential" construction projects valued at close to $90 millions now are under way across Canada, according to best available estimates. In the eight months to Aug. 31, something over 3,000 such jobs valued at about $75 millions were undertaken, according to the authoritative MacLean Building Reports Ltd. Here are the MacLean figures Jan. 1 to Aug. 31, lumping alterations and additions with new buildings:

Category	No. of Projects	Value $ millions
Stores	1,490	22.8
Offices	232	15.9
Hotels, clubs	238	11.6
Garages	814	10.0
Churches	151	8.9
Theatres	86	5.7
Totals	3,011	74.9

Apart from the supply priority certificates granted by Ottawa to government-approved and nationally organized house building, there is no channeling of construction capacity into the housing field. Main result is that emphasis in construction awards and purchasing has taken an untimely drift from the residential category to commercial and institutional building.

Says MacLean Building Reports this week in its monthly summary of construction:

"There is a definite trend away from residential construction. In nine months last year that classification accounted for over half of $308.8 millions of awards. This year, less than one-third of the $505.5 millions of awards in nine months have been for housing. Commercial-institutional building this year to date accounts for 28.7% of all construction, as against 21.5% last year. Industrial construction accounts for over 20%, as against 18% last year. Engineering works account for almost 18%, as against 10% last year."

Fire Prevention Campaign Opens

Fire Prevention Week, Oct. 6 to 12, features the high mark in fire-safety activities for the year.

In Canada last year 52,173 fires took 391 lives, destroyed property worth $42 millions.

About 85% of these fires are preventable, authorities say and Fire Prevention Week focuses attention on the need for reducing this proportion.

It is, however, only the beginning of a year of intensified fire prevention efforts. To attain desired results there must be no letdown in the campaign during the 12 months. The Financial Post presents on pages 16-19 information and statistics which will be useful in fire prevention work.

Canada May Balance Budget For First Time Since 1930

Surplus of $150 Millions Shown in First Five Months — Loans and Advances Offset This But Revenue Estimate Will Be Exceeded

By KENNETH R. WILSON

OTTAWA—Canada may balance its budget in the present fiscal year for the first time since 1930.

In the first five months of the 1946-47 year, Government shows a surplus of $150 millions. The anticipated deficit for the entire 12 months had been $430 millions. The good news is tempered by two considerations:

1. Five-month figures tend to exaggerate the true picture. Thus income and E.P. tax returns are seasonally higher in the early months; expenditures are lower. In short, the present "surplus" will probably not be sustained; may wholly disappear.

2. Loans and advances to British and other Governments will run at least $800 millions over and above budgetary requirements. This means that even if the Government balanced its budgetted "revenue-expenditure" accounts, we would still have to raise at least another three-quarters of a billion in cash for credits and loans.

Better Than Expected

When Rt. Hon. J. L. Ilsley tabled his budget address last June, he estimated the 1946-47 deficit would be about $300 millions. Since then, supplementary estimates boosted this potential red ink figure to $430 millions.

But the Government is doing a lot better than that, according to present operations. The complete story of the full year's estimates and the actual results to the end of August have just been divulged.

Close study of the revenue figures reveals that both income tax and "special" receipts are running substantially ahead of "average." The "average" for the five months, if all revenue and exenditure were distributed evenly throughout the year, would be about 42%. In the case of income taxes there is a seasonal factor at work, in that year-end payments come in heavily in April and May; tend to taper off thereafter.

Another factor affecting income tax returns for the balance of the year is the method of collecting EPT and corporation income taxes. After mid-year, corporations whose fiscal years end December 31, terminate their 1945 tax payments and start on 1946. Thus government accounts for August and subsequent months reflect not only the lower 1946 EPT rates but also the estimate by Canadian firms of a lower tax liability for the present year. Despite these "seasonal" and special considerations, The Financial Post is informed that the Government expects to exceed "quite handsomely" the budget revenue estimate of $1,209 millions for income tax and EPT collections in the full 1946-47 year.

"Special" receipts are at present running far ahead of estimates and should continue so to do. The biggest factor here is war asset sales which had brought in $92 millions in the first five months and are currently "grossing" $20 millions or more monthly. It would appear that receipts from war assets alone might run to $200 millions for the entire year.

This is equal to the sum which the Government put down in its accounts as coming in from all "special" sources. But in addition to War Asset sales, there are bound to be substantial "adjustments" of war accounts, etc. (In the 1945-46 ac-

(Continued on page 2, col. 3)

Gatineau, Hull Both Seeking Power Assets

By HOWARD GAMBLE

MONTREAL (Staff)—Stiff competition appears to be shaping up between Gatineau Power Co. and the City of Hull, Que., for the power distribution system in Hull owned by Ottawa Light, Heat & Power Co.

According to newspaper reports, Alan Brown, General Manager of Gatineau told the Hull Lions' Club that his company was arranging to purchase the distribution system within the city limits. Mayor Brunet of Hull is reported as saying that the announcement came as "a distinct shock" since he said representatives of the city had interviewed Premier Duplessis a short time ago, and were promised complete co-operation.

Early this week Premier Duplessis told The Financial Post that the Government was not taking any direct action in the situation. It was previously reported that Quebec Hydro might be interested in purchase of this property. Gatineau President Gordon Gale and Frederic E. Bronson, president of Ottawa Light, Heat & Power, informed The Post that nothing definite had been settled as yet but that negotiations were still proceeding.

Unless either the City or Gatineau Power withdraws from the field, it is likely that the decision as to who will get the distribution system will lie with the Quebec Provincial

(Continued on page 2, col. 6)

Inside News

Time to Buy, or Sell?

In the present period of "market uncertainty"—not to call it a bear market—should Canadian investors buy, sell, or stay out of the market? Leading investment analysts answer this question in varying ways, for Financial Post readers (p 28).

World Horizon Brighter

It has almost stopped raining in England, and the world horizon appears brighter. Stalin is talking friendship, Bruce Woodcock is awaiting to fight Joe Louis, and newspapers have been "inflated" from four pages to six, with circulations booming. London Calling, by Adelphi (p. 13).

Cheaper Houses Possible?

Reduced costs, increased supplies, are needed to provide cheaper housing, most Canadians interviewed by The Financial Post, agree. Many stressed the need for greater harmony between labor and industry, as a factor in attaining these objectives (p. 12).

Dividends Higher

October dividend payments in Canada are estimated by the Financial Post at $25,919,477, up 7.6% from the same month of 1945. For the first 10 months of 1946, the estimate is $246,079,848, up 11.4% from a year before (p. 20).

Aluminum Exports Jump

The aluminum market picture brightened materially in August, when Canada exported approximately 50,000 tons of ingots, equal to almost half the total for the first seven months of 1936. The United Kingdom took more than half the total figure (p. 20).

Compton Won't Borrow

A bear market is not the time to borrow, with stocks as collateral, in order to buy more, Joseph Compton's investment manager answers a suggestion from a Financial Post reader. Four years ago such a move might have been sound; but Compton did not go into the market until 22 months ago. Managed Investment (p. 21).

Biggest Housing Plan

Hailed as the largest program ever undertaken under Canada's National Housing Act, a $3 million construction project is under way in northeastern Vancouver. It envisions an entire new community of 542 homes, with parks, shopping centres and theatre (p. 7).

One Law For All

Employers and employees alike must obey Canadian laws, Premier Maurice Duplessis of Quebec declares, ordering prosecution of a company for alleged wrongful dismissal of union workers. Provincial Roundup (p. 3).

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U.S. Security Officials Laud Ontario Cleanup

Special Correspondence

NEW YORK—Ontario's progress achieved in cleaning up stock racketeering received formal recognition at the annual conference of the U.S. National Association of Securities Commissioners, held here last week. Tribute was paid to Ontario's Securities Commissioner, Charles P. McTague, for the part he has played in eliminating the racketeer.

While the meeting was enthusiastic about the great strides made, the feeling was expressed privately that there are still certain individuals engaged in the Ontario securities business who have not yet received adequate attention. It was also strongly felt that an adequate extradition treaty between Canada and the U.S. was urgently necessary.

Approval of the work done by Mr. McTague was expressed by J. Edwin Larson, Commissioner of Securities for Florida and outgoing president of the Association. His successor is D. D. Murphy, Securities Commissioner for South Carolina, who endorsed the view as did Past-President Clarence B. Adams, Connecticut Commissioner.

Mr. McTague, who was present at the conference and had been unaware of the proposed felicitation, expressed his appreciation of the conference's tribute.

Although everyone agreed that a good job was now being done in Ontario, some of the conference members and speakers let it be known that, in their opinion, action on U.S. side of the border had contributed greatly in the clamping down on high-pressure operators.

S. Myron Honigman of Philadelphia, Commissioner for Pennsylvania, was high in his praise of McTague's work which he told The Post was "very intelligent." "We in Pennsylvania are particularly interested because we had the longest list of indictments," he stated.

Nathaniel L. Goldstein, attorney-general of New York State, said he felt that "the publicity given to this campaign did more to educate the investor and stir the Canadian authorities into taking some corrective action, than any legal proceeding which I instituted."

Callahan Offers Praise

S.E.C. officials attending the conference, queried by The Post, also praised Mr. McTague's record to date.

"He is doing a grand job," declared one operative. "The worst offenders have been removed."

Edward Cashion, chief counsel for S.E.C., said he hoped for acceptance by Canada of a revised extradition treaty.

"We still have a lot of secret indictments," he stated, "and we would like the power to extradite."

Who Gets Cream in Milk Business Consumers Ask as Subsidy Removed

The only people who appeared to be at all happy about the end of milk subsidies this week were the government officials who had to administer them. They were pleased that the "headache" was no longer theirs.

Consumers weren't happy. To them it meant paying as much as 3c. a qt. more for milk than they did up to Sept. 30. In a year, for all Canada, that increase could run as high as $37.5 millions.

Producers weren't happy either, even though the lifting of the subsidy opened the door for some of them to get a cent a quart more for their milk. They want still more, point to rising farm costs in justification.

Distributors, caught in the middle, found it difficult to enthuse, because they never emerge unscathed from any milk price dispute. Their financial position was unchanged, and they had to bear much of the wrath of the disappointed consumers.

Provincial governments were resentful, too. They consider they've been handed the short end of the stick by Ottawa. In Ontario, Premier Drew set up a Royal Commission to get to the bottom of all the confusion and doubt. In Halifax, the Public Utilities Board will conduct a full-dress investigation into producers' claims for higher returns. (Halifax dairymen report their profit margin has been so close 13 out of 21 distributors have quit since 1939.)

A survey by The Financial Post shows the following province-by-province picture:

Maritimes: New price 14c. qt. in Nova Scotia controlled areas; 16c. in Sydney; 15c. in Halifax. The Public Utilities Board which will investigate producers' claims for higher prices has indicated that an additional 1c. increase will be allowed in the Halifax area at conclusion of the enquiry. The Board has ordered a flat 2c. qt. increase, which is about ½c. more than the amount of the federal subsidy of 55c. per cwt. Until the Board completes its investigation into milk price structure and determines where the ½c. balance should go, it has ordered that producers shall have it. Producers are demanding an increase from $3.25 per 100 lb. to $3.74. Opposing the increase, Halifax area distributors claim producers in the district are getting the best price of any serving Canada's 16 larger markets where dealers have the lowest spread.

Proposals presented to the Board ranged from inauguration of a "health subsidy" to the narrowing of the distributor's profit, establishment of a provincial subsidy and the setting up of zone delivery system to reduce distribution costs. Referring to narrow margins of profits earned by distributors, A. E. Johnson, president of the Maple Leaf Dairy, said one of the 13 dairies which had been forced to quit the business since the war was one of the oldest in Halifax. This dairy lost $4,000 in its last year of operation.

J. D. Mackenzie, former Nova Scotia Minister of Highways, said his own dairy lost even more than that. "Producers want it all," he said. "They aren't willing to give us what we need to carry on. I regret having to oppose them, but I think they are asking too much."

In New Brunswick, the new price is 15c., an increase of 2c. representing ½c. gain for producers, as in Nova Scotia.

Quebec: New price 15½c.: increase, 3c. of which 1½c. is net gain to producers who are now getting $3.45 a cwt. In an open letter to the Quebec Dairy Commission, Montreal milk producers expressed dissatisfaction with the award, demanding a $4 price which would cost Montreal housewives $390,000. To further bolster their argument, they cited milk prices of 26c. a quart in New York.

Technically the new Quebec prices weren't "legal" on Oct. 1. The move could not be made legally without publishing an announcement in the Quebec Official Gazette and that paper had gone to press before the decision of the Dairy Commission was received. Unless an "extra" were published, the new

(Continued on page 9, col. 1)

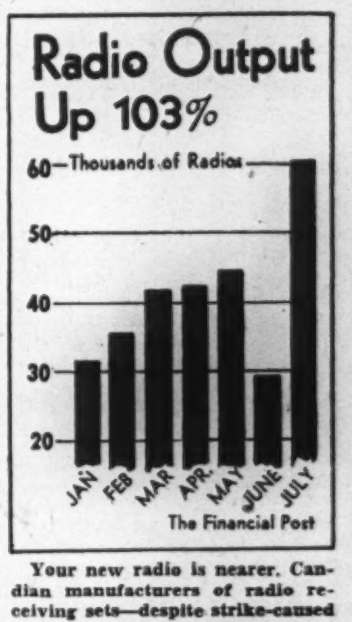
½% Commission Is Limit Imposed On Savings Bonds

Next to the newly announced terms of the Canada savings bonds, information on dealer remuneration was the important item of "trade" news to those who will merchandise these bonds among Canada's investing public.

The new bonds carry a commission of ½% to dealers. This commission may in turn be split 50-50, giving subagents or salesmen a ¼% return on the 10-year 2¾% bonds for which the individual ceiling or limit is $2,000.

Big emphasis for the next few days will be in lining up payroll deduction sales which are in the hands of "professional" or central government organization. There are roughly 4,500 firms now handling these deductions for purchasers of the last Victory loan. What percentage of firms will co-operate on new Canada Savings Bond campaigns among their employees will not be known for a week or so.

Pace of Business



Your new radio is nearer. Candian manufacturers of radio receiving sets—despite strike-caused and other supply difficulties—have bounced back out of their midyear production slump. With July output more than double June's, radio makers are on better terms with impatient dealers and consumers in an apparently insatiable market. And if output in the second half-year holds at anywhere near July's 60,000-set pace, the radio shortage soon may be a thing of the past.

For a Brighter Fall

Put crisp, lively colour under your collar this Autumn with a tie chosen from the large and varied selection at EATON'S. Here you'll find ties to suit your clothes as well as your personality — bright, colourful Modernistics . . . rich, dressy Paisley designs . . . conservative Macclesfields . . . soft Tartan homespuns . . . neat All-overs . . . expertly fashioned from real silks, fine rayons, wools, and imported rayon

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Balanced Budget Likely First Time Since 1930

(Continued from page 1)

counts, there were $580 millions of special receipts and wartime "refunds." These were in part bookkeeping items but their inclusion in last year's accounts enabled the Government to write-off in that year a $425 millions air training plan account and still end the year with a smaller deficit than had been originally budgeted.)

Collections High

Five-month figures also show that sales tax, customs and excise duties are well ahead of average. The actual percentage of collections to date is about five-twelfths of the budget estimates but this is the poorest season of the year for these collections. At present rate of inflow, they should yield substantially more than was budgetted.

Expenditures to date are well below estimated figures. This is partly "seasonal"; many costs and departmental bills don't begin rolling in until just before the deadline next March. But even so, it looks as if there will be substantial savings as compared with budget estimates.

The big spender for the year will undoubtedly be Veterans' Affairs, which has rolled up almost $300 millions to date, or 45% of even the enlarged and supplementary estimate for the full year. Family allowances costs are about as expected. Interest charges are less than average but there is little question that the entire gross figure of $465 millions for the year will have been spent by next March.

Overall, with five-twelfths of the year gone, only one third of the estimated budget has been spent. Added to this, there will be further savings by reason of the ending of the milk subsidy. Once the provincial agreements expire there will be substantial cash refunds to be made to the provinces but the dollar bulk of these subsidies do not fall due until next year.

Apart from budget revenue-expenditure, there is the important item of "loans and advances," which Mr. Ilsley estimated at $1 billion for 1946-47. Bulk of this money represents commitments under the British line of credit and export credits to Netherlands, Belgium, France and other countries.

$325 Millions Paid Out

To date, $325 millions or 32.5% of the estimated total has been paid out. The lower-than-expected cost is due to inability of this country to supply as large an amount of foodstuffs, raw material and finished goods as had been anticipated when the loans were made.

Presumably the rate of payment will accelerate between now and March and eventually the entire sum budgetted for in 1946-48, will be spent. These advances come into the total "cash requirement" of the government for the year, even though they are not included in the annual budget. They mean an addition to our debt, but represent (we assume) largely recoverable accounts.

Although the better-than-expected state of government accounts is important news to taxpayers, the "experts" here warn against too great optimism. It is pointed out that 1946-47 is one of the years when the Government could and should be showing a profit, in that it is a year of high economic and business activity. Under the theory of cyclical balancing of budgets, 1946-47 is the kind of year when the Government should show a handsome surplus without raising taxpayer hopes for a further slash in tax rates. It is also pointed out that the tax cuts announced last June do not become operative until January and therefore are reflected in only minor degree in the 1946-47 accounts. They also point to steadily increasing government debt, so long as we are making loans and advances outside the regular budget.

These are sobering considerations. But they do not alter the fact that revenues are up, and expenditure is down, as compared with what was calculated only three months ago.

Announcing
Important Appointments in Canadian Industry, Finance, Business and Government.

Alberta Government—Miss Jean Clark, superintendent of district nurses.

Atomic Energy Control Board—Gen. A. G. L. McNaughton, president; G. C. Bateman, Paul E. Gagnon, V. W. T. Scully, members.

Alberta Public Health Association—D. R. Stanley (Edmonton) president.

American College of Hospital Administrators—D. M. Cox (Winnipeg) president.

Brand & Millen (Long Branch/ Ont.)—J. R. Duggan, general manager.

British Columbia Research Council—Dr. H. R. Wright, head of chemistry division.

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New Brunswick Government—W. A. McDougall chairman, Workmen's Compensation Board.

North American Life Assurance Co.—Lewis V. Tibert, district manager, Fredricton, N.B.

Price Bros. & Co. (Quebec)—A. C. Price, executive vice-president; Hector Cimon, vice-president in charge of labor relations.

Quebec Drug Salesmen Association—Placide Morency, president.

Quebec Government — Gustave Tremblay, provincial assistant auditor.

Quebec Chambre de Commerce—L. O. Reginer (St. Johns) president; C. E. Beaudet (Mont Joli) C. E. Boivin (Chicoutimi), vice-presidents.

Sidney Roofing & Paper Co. (Victoria)—R. Logan Mayhew, vice-president and managing director; A. Welch, general manager and secretary-treasurer; P. W. Field, general sales manager; A. J. Saunders, technical director; J. A. Craig, comptroller; A. T. Anthony, district sales manager, Vancouver.

Trans-Canada Air Lines—David B. Clarke, cargo supervisor, Trans-Atlantic Service (Montreal).

Toronto General Trusts Corp.—C. B. Clark, manager, Edmonton; Gordon Forbes, Manager, Calgary.

Toronto General Trusts Corp.—H. R. Milner, a director, and chairman of Edmonton advisory board.

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University of Toronto—Gordon N. Patterson, professor of aerodynamics.

Vancouver Community Chest—Ivor Jackson, executive secretary.

War Assets Corp.—W. H. Golding (Montreal), chief of automotive equipment division; A. C. D. Young, assistant chief; Jos. Barsalou, branch sales manager, Montreal.

Windsor Planning Area Board—E. G. Faludi (Toronto) consultant.

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C. GRAHAM DRINKWATER, *Senior Partner*

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by the present partner
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Abitibi To Reopen At Sturgeon Falls

Abitibi Power & Paper Co. has authorized an expenditure of about $2 millions for rehabilitating the Sturgeon Falls, Ont., mill, as a result of new arrangements with the Ontario Government, it is announced. Manufacture of about 100 tons a day of a special type of corrugated board suitable for lining and packaging is planned.

The rehabilitation was decided upon after a thorough engineering study of the mill and after much consideration as to the markets available for a variety of wood-fibre products. Changes will include the installation of the latest type of semichemical cooking apparatus, and the re-equipping of the existing paper machine to enable it to dry the daily tonnage of corrugated board.

As raw materials for this new manufacturing process Abitibi plans to use all species and sizes of wood existing on the limits assigned to the mill, including jackpine, birch, beech, popular, spruce and balsam. The company also plans to develop the use of saw mill edgings and slabs so that they may make full use of all the forest resources in the area under agreement with the Government.

The Sturgeon Falls mill has not been operated since Nov. 12, 1930. Its reopening will mean increased activity and employment at Sturgeon Falls and an important advance in the full use of Ontario's forest resources.

Cdn. Aluminum Sought By U. S.

(Continued from page 1)

Capacity of the five idle government-owned plants is about 72 millin lb. a month, but CPA officials point out that the high cost of power available to these plants—Messina and Long Island, N.Y., Vernon, and River Bank, Calif., and Burlington, N.J.—makes operations at a competitive price impossible.

Perhaps only one of these plants will be kept as standby facility for future national emergency — the Messina plant. Four have been, or are being, disposed of for operation, and both aluminum plants are being operated.

New Uses Developed

The present high level of demand which has surprised the industry itself, stems largely from new uses developed during the war. An additional source of demand has been the substitution of aluminum sheet for galvanized steel since the steel shortage developed. CPA officials are confident that a large part of this demand diverted from steel will become permanent because new users have found aluminum easier to fabricate, cheaper and advantageous because of its light weight.

The OMR stockpile, which held 370 million pounds in June, is now down to 185 million pounds, with CPA authorized withdrawals during October scheduled for 35 million pounds.

Canada, the sole prospective of additional aluminum for American industry, has had to curtail production because of a shortage of soda-ash. But once chemical strikes in Canada are settled, the CPA believes Mr. Wyatt will be under pressure to find a way of subsidizing imports.

Speedway Petroleums Opens Chatham Branch

From Our Own Correspondent

CHATHAM — Establishment of a branch of Speedway Petroleums Ltd., in Chatham, Ont., is announced by the company. The firm is affiliated with the Speedway Rubber Corp., of New Haven and Norfolk, Conn., and Speedway Petroleum Inc., of Detroit.

The company plans to construct an oil-canning plant, a service unit and an office building. Operations will include distribution of petroleum and rubber products throughout western Ontario.

Nat. Battery Buys Large Kingston Firm

The National Battery Co. of the United States this week announced acquisition of the assets of the Monarch Battery Manufacturing Company Ltd., Kingston. A. H. Daggett, president of the American firm, also revealed that Gould Storage Battery, a new Dominion company, had been formed to operate throughout Canada with manufacturing properties and headquarters in Kingston.

The National Battery Co. was founded in 1917 in St. Paul, Minn. Today it has its head office and one factory in St. Paul and 12 other battery factories built or building in other parts of the United States. It also operates two hard rubber battery container plants which supply a large share of the battery boxes required. National, in addition to being the world's largest producer of automobile replacement batteries, also manufacures larger batteries under the name of Gould.

Gould batteries are used in railroad operations, industrial trucks, power distribution and the thousand-and-one other applications where storage battery power is required. During the war a substantial number of U. S. submarines were Gould-equipped and more Gould aircraft batteries than any other kind were manufactured for used by the RCAF, the RAF, the AAAF and the United States Navy Air Force. The new Canadian company, Gould Storage Battery, is headed by Brig. James Mess, Toronto, president, with A. H. Daggett as chairman of the board. Brig. Mess said the Canadian company would continue to manufacture Monarch batteries and to serve old Monarch customers. He also revealed that the present manufacturing facilities in Kingston are to be modernized, and that the new company will produce only storage batteries.

Expansion is contemplated throughout Canada and it is hoped to produce not only Monarch automobile batteries, but Gould automobile and Gould heavy industrial batteries as well. The Canadian company will do its own test and research work in co-operation with research and testing laboratories of the American company at Depew, N.Y. and St. Paul, Minn.

Kenneth Dawkins from Nationals St. Paul headquarters is first vice-president of Gould Storage Battery. He has had wide experience in the battery business both in Europe and in the United States.

Gatineau, Hull Seeking Assets

(Continued from page 1)

Electricity Board, which has to approve the agreement. Should Gatineau Power purchase the distribution system, the company would become sole distributors of electricity in the city; since it already sells electricity at wholesale under long-term contracts to Hull.

Another determining factor in the sale of its Hull assets by O. L. H. & P. is the outcome of the company's negotiations with Ontario Hydro-Electric Commission, which is taking over the company's distribution system in Ottawa. Purchase agreements for the Quebec parts of the O. L. H. & P. assets will not likely be completed ahead of the other negotiations.

Mr. Brown is reported as stating that Gatineau Power already has the agreement covering purchase of the Hull assets before the Provincial Electricity Board. Should the city press its case, it would also file an agreement before the Board. It would then be the Board's task to approve one or the other. Premier Duplessis pointed out to The Post that there were several technical legal and municipal government matters which had to be considered.

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CITY OF WINNIPEG sold $3 millions of 20-year 2¾% bonds at 98.634 to a syndicate headed by Nesbitt, Thomson & Co. Proceeds will be used to extend the City Hydro facilities, for waterworks and a new incinerator.

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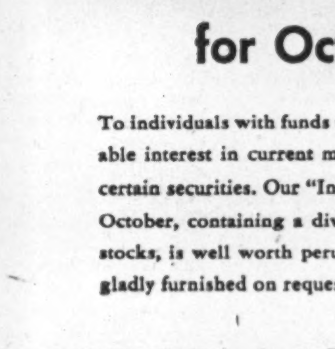

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Investment Suggestions for October

To individuals with funds to invest there is considerable interest in current market levels and yields of certain securities. Our "Investment Suggestions" for October, containing a diversified list of bonds and stocks, is well worth perusal today. A copy will be gladly furnished on request.

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Provincial Roundup

Maritimes

Business — Wholesale and retail trade at higher levels than a year ago despite shortages in many lines. Collections good. Domestic and export demand for lumber unabated, supplies limited. Potato digging under way in New Brunswick. Annapolis Valley apple crop expected to be of good quality and average yield. Fishing in August was well maintained; prices firm. Demand for dried fish exceeds supply. Better than average catch of herring. Manufacturers feeling effect of steel strike. Unskilled labor more plentiful. Decrease in shipyards activity. August coal production in Cape Breton higher than in previous month and same month a year ago.

Polio at last appeared to have run its course on Prince Edward Island. With no new cases reported in a week, schools, theatres and other amusement places opened this week, after being closed a month.

Threat to Spuds: Potato blight was rearing its unattractive head on the Island, threatening rot during the harvest season to almost all varieties except cobblers (including Sebagos, usually considered blight-resistant). Earlier plantings showed a poor yield, only about 125 bushels to the acre, due to drought; later varieties almost doubled that figure. Growers called for a floor price of 80 cents.

Duff Pulls No Punches: Lunenburg's salty-tongued Senator William Duff roared a challenge, in reply to labor criticisms of the Upper House: "It's all right for them to sit back and pass damn fool resolutions; but none of them dare come before the public for election. I could get four seats in Nova Scotia; there isn't a man in the Congress of Labor who can get elected to one of them." He bade CCL President A. R. Mosher and "his crowd of agitators, troublemakers—go back and work, instead of drawing money from poor devils working in mines and steel plants."

Maritime Links Needed: In Amherst, Toronto's John Ritchie MacNicol (Progressive Conservative MP) defined four steps needed to eliminate bottlenecks in east-west business traffic: (1) a double track CNR line, Sydney to Moncton; (2) a causeway or bridge across Canso Strait, to link Cape Breton and the Nova Scotia mainland; (3) a superhighway "by the shortest possible route" from Halifax to central Canada; (4) further additions to Prince Edward Island-mainland ferry service.

McNair is Willin': New Brunswick's Premier John McNair would welcome a resumption of Dominion-provincial conferences, "or any move which may tend to bring about general agreement on taxation and finances, or, preferably, on a broader program . . . I know of nothing in the field of government, which would create a greater sense of confidence and security, than agreement on an over-all economic and social program."

Sardines Galore: In the wake of one of the greatest runs of sardine herring ever known in the Bay of Fundy, New Brunswick fishermen were holding catches worth thousands of dollars, waiting for canneries to take delivery.

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Quebec

Laws "must be obeyed by all, whether employers or employees—otherwise this country would soon know the disorders resulting from their contempt, including the spread of Communism, Fascism and other forms of anarchy," warned Premier Maurice Duplessis, ordering prosecution of the Yamaska Garment Co., St. Hyacinthe. The charge: dismissal of workers for union affiliation and activities.

Who's to Blame?: Chaos or democracy, is the choice facing Canadian industry and labor, Labor Minister J. Antonio Barrette warned, rallying workers' unions to purge their ranks of Communists; voiced confidence in "the sanity and law-abiding spirit" of labor and industrial leaders: "They have shown a sincere desire to co-operate with governments, in giving the people a progressive administration"

To which Liberal Ex-Premier Joseph Adelard Godbout replied: "Those responsible for the introduction of Communistic theories, are those who refuse the people social justice—as, for instance, the present Union Nationale Government."

Demands Controls End: Price controls and rationing have created a black market "which threatens to upset the nation's entire economy," President Leonce Beaudry told Quebec Association of Retail Merchants, demanding speedy removal of such restrictions; declared scarcity of goods was as much a threat of inflation, as abundance of money.

Business — Wholesale and retail trade continues brisk with volume in most lines higher than a year ago. Adequate replacements in various lines of merchandise difficult. Heavy tourist trade contributed to volume of retail sales. Collections good. Lumber continues in great demand, prices for all lumber products firm. Autumn cutting under way; sawmills operating at capacity under favorable conditions. Labor slightly more plentiful. Newsprint production at capacity during August. Textile manufacturers busy but strikes curtailed production in some mills. Clothing factories well employed; acute shortage of men's suitings. Shoe manufacturers very busy, tanneries working at capacity; shortage of certain types of leather. Furniture factories at capacity; demand is strong. Heavy steel production adversely affected by the strike. Construction active but slow delivery of supplies a handicap. July gold production 52,766 oz., (47,455 oz. a year earlier).

Ontario

Fluids, both hard and soft, were worrying the Drew Government. Doubtful of the Milk Control Board's authority to sanction a three-cent-a-quart price boost, the Government named Mr. Justice Dalton Wells, of the Ontario Supreme Court, a royal commissioner to probe "all phases of the milk situation." Meantime, the boost remained in force.

With liquor plentiful, but bottles scarce, the province this week slashed individual rations 87½%, allowing consumers only one 26-oz. quart a month, against eight in recent months. Authorities debated charging a deposit on bottles, or making return of an empty a "must" with every new purchase; but saw difficulties in the way of this. A ray of hope appeared on the horizon, in reported discovery of a substitute for soda ash in glass-making.

"A virtually Socialist Canadian Government" is "letting the country slip further down the drain," James McKerras Macdonnell, Progressive Conservative financial critic, charged in Toronto. Citing extension of various commission controls, he warned: "If freedom is lost in the economic sphere, it will soon be lost in the political realm.".

Blaze Health Trail: Ontario was blazing a trail for all Canada, said Health Minister Russell Temple Kelley, announcing free prenatal examination, effective this week, for all expectant mothers in the Province. Stressing that all women are entitled to select their own physician, health authorities warned against false modesty, and urged consultation in the first three months of pregnancy. "Too often" said Kelley, "the nine months before a baby is born have been the most neglected period of its existence." (Statistics show about 85,000 childbirths yearly in Ontario, including more than 2,000 stillbirths).

New Highway Hazard: Continued strike at Brunner Mond's Amherstburg soda ash, plant threatened safety of Ontario motorists next winter, Highways Department officials disclosed, reporting a serious shortage of calcium chloride (used with sand, for spreading on icy roads). Chief customer of the Amherstburg plant, the Province uses 15,000 tons a year; has a present reserve of only 400 tons. The same shortage threatened to hit meat packing plants and artificial ice arenas, where calcium chloride is used for refrigeration.

Business—Notwithstanding continued scarcity of many commodities, wholesale and retail trade well maintained; August sales volume up from a year before. Retailers in some centres feeling effect of reduced purchasing power resulting from strikes. Most summer resorts have enjoyed heavy tourist business. Collections good. Strikes in the brass, rubber, electrical, chemical and basic steel industries continue to overshadow industrial scene. Output of increasing number of firms curtailed, or halted entirely, by lack of essential supplies. Scarcity of steel affecting agricultural implement factories and engineering plants generally. Motor car production hampered by shortages of parts and materials and by labor troubles. Furniture manufacturers fully occupied with a substantial backlog of orders; woods and certain other materials in short supply. Textile, woollen and worsted and knitting mills generally well employed. July gold production 152,215 oz., (149,785 in June, 119,151 in July, 1945).

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Prairies

Heavy artillery of the three major political parties was rumbling this week through Portage La Prairie, where a by-election is scheduled for Oct. 21. Liberals sent Finance Minister James Lorimer Ilsley, Agriculture Minister James Garfield Gardiner, Saskatchewan Leader Walter Adam Tucker, and others, to support J. S. Wood, Oakville farmer. Progressive Conservative Leader John Bracken, Financial Critic James McKerras Macdonnell, and Lieut.-Col. Charles Cecil Ingersoll Merritt, V.C., spearheaded the campaign for C. F. Miller, Portage La Prairie lawyer. The CCF threw its national leader Major (a Christian name) James Coldwell, Saskatchewan's Premier Thomas Clement Douglas, and others, into action on behalf of Sidney Colthard, Bagot farmer. The outcome; anyone's guess. (In 1945 the late Harry Leader, Liberal, was a minority winner, although with a plurality of 1,857 over the Progressive Conservative runner-up.)

Manitoba to Sign: Manitoba's Premier Stuart Sinclair Garson planned to visit Ottawa this month, to complete a tax agreement with the Dominion: "more advantageous than no agreement, but not nearly so favorable as the proposal of last May, which several Provinces would not accept."

Cheaper Power: Three reductions in power rates were put into effect by Manitoba's Power Commission this week. Commercial power charges in about 200 towns and villages were scaled down from seven cents to six for the first 100 kw. hrs. In Portage La Prairie, domestic rates were cut from seven cents to six, for the first 50 kw. hrs. In Brandon, commercial schedules dropped from four cents to three.

Comrades in Arms: Politics promised to make strange bedfellows, when Saskatchewan's Farm Security Act came before the Supreme Court of Canada at Ottawa, Oct. 15. Social Credit Alberta and Union Nationale Quebec joined the CCF Douglas administration, in upholding the validity of the measure (which exempts farmers from mortgage principal payments in crop failure years, applies interest payments to reduce principal). G. W. Mason, Toronto, was to appear for Saskatchewan in the hearing (postponed from Oct. 1); C. F. Carson, Toronto, for the Dominion Mortgage and Investments Corp., which had previously applied vainly to federal authorities, for disallowance of the measure.

Write off $2 Millions: Saskatchewan prepared to write $2 millions yearly off its budget, as the 2% "nuisance" education tax was removed, this week, from foodstuffs and soft drinks (the levy still applied on other commodities). New sources of revenue are taking form as the Government's development program progresses, said Provincial Treasurer Clarence Melvin Fines.

No "Reward": Saskatchewan's CCF Government denied that it was linked with the United Farmers of Canada, in backing the farm nondelivery strike; also denied that Section 198 of the Rural Municipality Act (providing for enrolment of all farmers of a municipality, in the UFC, on payment of a lump sum by the municipality) was a reward to the UFC "for services rendered"; insisted the legislation, enacted in 1944, had been asked by "the organized farmers" in the Province.

In the Saskatoon Mutual Medical and Hospital Benefit Association, 12 girl office workers resigned in protest against reported dismissal of P. R. Krautzwiser as manager, and appointment of E. J. Loehr to succeed him. "Something most unsatisfactory is going on in the office" the dozen declared. Directors of the medical co-op insisted the girls' loyalty "should be to the association, and not to any person who happens to be manager."

Wage Law Hits Hospitals: Extension of Saskatchewan's minimum wage law to cover student nurses in hospitals, guaranteeing them $80 a month plus uniforms, threatened a financial problem to many municipalities (present rates in a number of hospitals are reported $8 to $10 a month). Saskatoon estimated provision of uniforms alone would cost the city $1,000 yearly; suggested that to offset the costs, student nurses might be charged a substantial entrance fee.

Social Credit on Trial: Alberta's Social Credit Bill of Rights, on trial for its life before the Province's Appeal Court this week "does not guarantee everyone over 19 a handout," Premier Ernest Charles Manning stressed: "It guarantees the individual an opportunity to engage in gainful employment; failing that, it guarantees him a decent living, from public funds, compatible with current living standards, until gainful employment is again available" (also optional retirement at 60, with pension of $50 monthly).

Business — Wholesale and retail trade was maintained at a favorable level, a substantial increase over a year before. Strong consumer demand for all lines of merchandise; shortages in many lines. Wholesale drygoods houses report good sales volume. Supplies of new farm machinery still far below demand; continued scarcity of repair parts. Steady demand for hardware lines; stocks in many cases are insufficient. Men's clothing stores busy, suits, shirts and socks still inadequate to meet demand. Chain grocery store sales slightly lower but a fair gain over the same month last year. Flour mills well employed. Strike of Alberta farmers affecting packing houses; a number of workers laid off. Southern Alberta packing plants reported operating at 50% capacity, northern at 80%. Livestock deliveries at Saskatoon slowing. Manitoba plants so far operating normally, but with deliveries declining. Shortages of eggs and poultry also reported from some sections of Alberta, including Edmonton. Large rafts of pulpwood and logs arriving at Port Arthur from Nipigon Waterway for local paper mill and sawmill operations. Coal production steady.

• • •

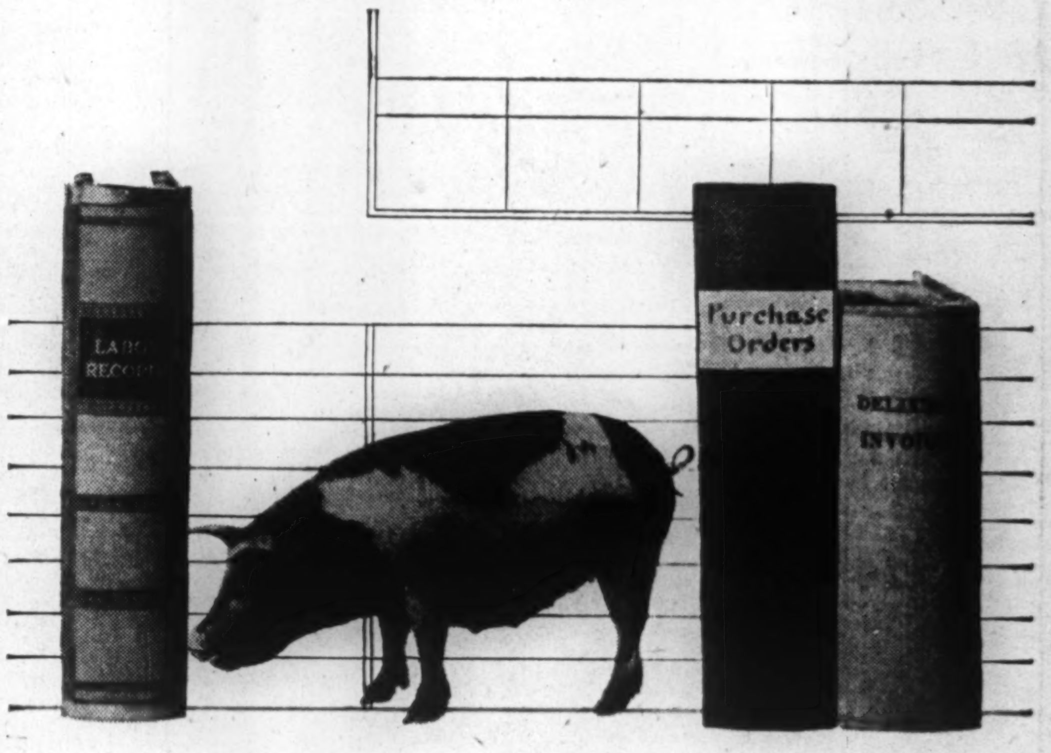
West Coast

Premier John Hart was en route to Ottawa, (or soon would be) to seek a new tax agreement; armed with arguments that British Columbia, third largest revenue-producing Province, has the highest resource-development cost. Unsatisfied with Finance Minister Ilsley's offer of approximately $18 millions yearly, in lieu of income and corporation taxes, Hart hinted the Province might re-enter these fields next year, unless better terms were forthcoming. Meanwhile he saw prospects of a special autumn session of the legislature "most unlikely."

Vote, or Else! Compulsory voting (with a fine for default) was a possibility for British Columbia. A special committee of the legislature, seeking to streamline the Provincial Elections Act, was debating that proposal, also a system of full-time registration, to ensure that all eligible voters were duly listed. Reporting only 300 answers to 3,000 questionnaires sent out to public organizations, Chairman Robert Henry Carson deplored apathy on the subject "at a time when democracy is being tested all over the world . . . it is putting it mildly, to say we are disappointed."

Provincial Subsidy?: Increased milk prices would take at least $1 million yearly out of Vancouver pockets, said an "emergency committee" representing consumer and labor organizations, asking the Province to take over payment of the 55 cents a hundredweight subsidy, discontinued by Ottawa this week. (Present retail Vancouver prices, 12 to 14 cents a quart).

Business Survey — Wholesale and retail trade active, collections good. Canadian National Steamships has awarded a contract for a 5,000-ton passenger vessel to a Victoria shipyard. Building industry active, concentrating chiefly on Government housing schemes. For the four-week period to Sept. 11, lumber mills operated at average of 83.8% of normal capacity (62.8% a year before). The salmon pack to Sept. 7 totalled 693,598 48-pound cases, (1,265,086 a year before, 869,035 in the cycle year of 1942). July coal production 104,796 tons (110,914 a year before). Exceptionally good fruit crops moving to market in volume and good yields of vegetables and grains being harvested. Grain shipments from Vancouver 1,907,855 bushels, (3,312,771 a year before).



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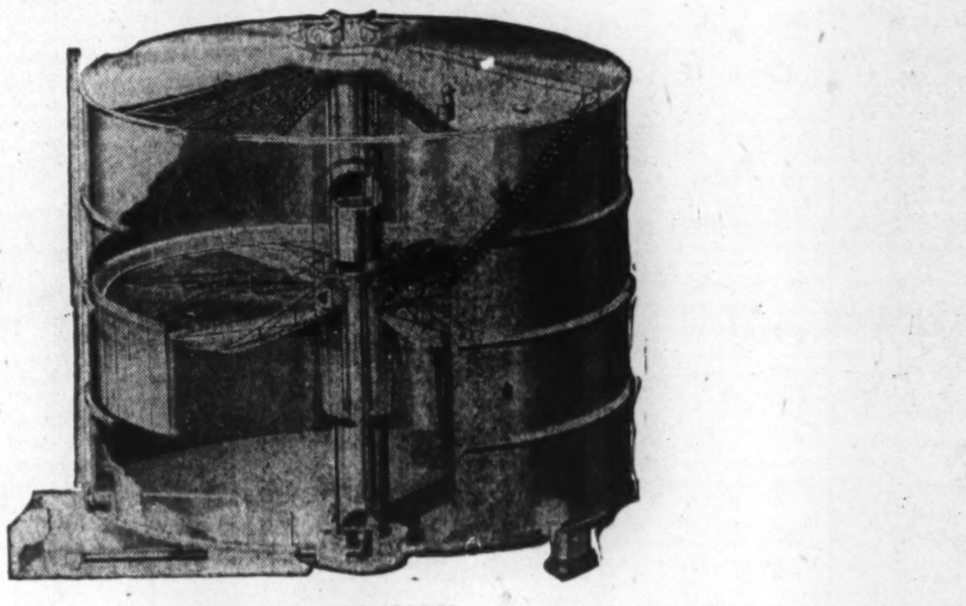

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WELL EDUCATED young man, age 35, graduate arts and law, McGill University, four years' night study in accountancy, ten years' experience in government work desires position of responsibility. Highest references. Presently residing in Montreal but will go anywhere. Box 161, The Financial Post, Toronto.

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Further details and excellent references provided on interview. Box 160, The Financial Post, Toronto.

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INVESTMENTS THIS WEEK

Good Response Expected To Canada Savings Bonds

New financing and offerings of other issues is expected to come virtually to a standstill in so far as individuals are concerned for the Canada loan drive, which commences Oct. 15. Most investment dealers are expected to put their whole organization into the job of selling the new bonds. But there will be no general canvass of the public, similar to the victory loans, outside of employer groups under payroll savings section.

Dealers are expecting a good response to the issue. Some guess over $300 millions Savings Bonds will be sold. Although no objective was set, it was believed that an objective of $200-250 millions would be considered satisfactory. Nearly $310 millions was raised from payroll savings alone on the Ninth Victory Loan from 1,565,028 applications.

Also auguring well for the success of the loan is the result of last February's survey. It showed eight out of ten former buyers of victory bonds and war savings certificates wished to continue their wartime savings habits.

Special feature of these bonds is that an investor can get his money back at any time without fear of loss. Any bank will pay par and accrued interest on presentation—in effect "a dollar bill with coupons on."

But the bonds give a 2.75% return—a better rate than any outstanding Dominion issue regardless of term. It is over 83% more than is paid on a bank savings deposit—over 13% better than the 2.40% obtainable on Fifth Victory Loan 3% bonds due 1956-60—slightly better than the 2.73% yield at the offered price for Dominion 3% perpetuals.

As a result many investors, unable to take the full $2,000 by monthly deductions in cash payment, are reported considering switching part of their present holdings to Savings Bonds in order to buy the maximum allowed.

This achieves a second objective. It protects investors against any possible drop in the market value of the outstanding issues. Although Dominion bonds have remained firm, there seems to be a definite feeling growing that a peak for interest rates has been reached—particularly as U. S. Treasury bonds have dropped from their high of last April.

The new Canada Savings Bonds will carry a 2¾% annual coupon, will be dated Nov. 1, 1946, due Nov. 1, 1956, and available in denominations of $50, $100, $500 and $1,000.

• • •

Common Stocks Record Gain First Time in Six Weeks

Last week, for the first time in six weeks, Canadian investors saw stocks close higher than a week before. Common stocks were up 3.8% as measured by the DBS index of 100 common stocks.

All stock groups except the two telephone and telegraph stocks were up. Weakness in Bell Telephone shares with the offering of the common stock rights was the factor in their decline.

Biggest jump was shown by the index for 8 pulp and paper stocks which rose 6.8%. These were closely followed by the eight beverage stocks and the two transportation stocks—both of which were the largest losers the week before.

Eight groups—machinery and equipment, pulp and paper, beverages, industrial mines, utilities, transportation, power and traction, and banks—rose better than the 3.8% average of 100 stocks.

Five groups—milling, oils, textiles, food, building materials—rose less than the average while the one group dropped.

Following is the record of the individual stock groups:

D.B.S. PRICE INDEXES

	Sept. 19/46	Sept. 26/46	% Inc.
Mach. & equip.	152.5	159.3	4.5
Pulp & paper	211.7	226.0	6.8
Milling	118.1	119.7	1.4
Oils	63.2	64.0	1.3
Textiles, etc.	183.3	185.9	1.1
Food, etc.	122.7	123.2	0.4
Beverages	322.4	342.9	6.4
Building materials	132.3	135.8	2.6
Ind. mines	80.3	84.4	5.1
Utilities	114.0	119.0	4.4
Transportation	151.6	161.2	6.3
Tel. & Tel.	121.9	121.8	—0.1
Powers & traction	100.6	106.2	5.6
Banks	120.3	125.1	4.0
All stocks	99.9	103.7	3.8

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Newsprint Not Affected By M. & O. Paper Strike

No newsprint operations were affected by the Minnesota & Ontario Paper Co. strike which was settled last week, The Financial Post is told. Production of insulite was the main item hit.

The strike tied up only the company's mill at International Falls, Minn., and did not affect the Kenora or Fort Frances, Ont., mills. At International Falls, some 1,600 men had been out since June.

Settlement of the strike for a wage increase of 12c. an hour is not considered favorable to the company, The Post understands.

Possibly due to the strike, Minnesota & Ontario Paper common has fallen 32.1% from its $26½ a share price at May 20—or slightly more than the 26.5% drop in the DBS index of eight pulp and paper company stocks. Its current price is $18 a share.

• • •

Expect New Venezuelan Tax To Hit International Pete.

Prospects of an excess profits tax on the Venezuelan profits of International Petroleum Co. were seen from the statement of Dr. Juan Perez-Alfonzo, Venezuelan Minister of Economic Development, in New York last week. He said that there was the distinct possibility that American oil companies operating in Venezuela would be subject to an excess profits tax there this year.

Dr. Perez said the Venezuelan Government intends to stand by its pledge not to impose an extraordinary income tax this year such as was imposed on 1945 incomes but added that an excess profits tax would serve the same purpose of augmenting the Government's income as the extraordinary tax did last year. Although the rate was on a sliding scale, last year's Venezuelan tax for companies in any sizeable bracket meant an increase from an effective rate of 12% to a rate of 32% on taxable incomes.

Tentative rates for the new tax have not yet been discussed, according to Dr. Perez who declined to estimate at what rate it might be levied. Oil companies hope that the new tax will not be as drastic as the 1945 extraordinary tax.

Probably nothing official will be announced until after the Venezuelan national election on Oct. 27. The three leading parties which are expected to poll the largest number of votes are the Conservatives, Liberal-Progressives and the Communists. Dr. Perez, a Liberal-Progressive, said all three of these parties had agreed in principle that excess profits tax should be imposed on corporations.

No matter which party is returned to power, one of the first topics taken up will be the excess profits tax, Dr. Perez believes. The new government should take office within a matter of days after the election, it is reported.

In Venezuela, International Petroleum has a 25% interest in the operations of Mene Grande Oil Co. The volume of crude derived there in 1945 was 14,905,799 bbl.—equal to 31.5% of total of Pete's gross production plus purchases.

• • •

Say Canadian Vickers Plan May Follow Abitibi's Plan

Two or three plans of reorganization for Canadian Vickers are under consideration, The Financial Post understands. Shareholders will probably be notified as soon as one, agreeable to all parties, is decided on.

These plans are along the lines of the final Abitibi Power & Paper Co. reorganization plan, The Post understands. Under the Abitibi plan, the 7% preferred shareholders received for each old $100 par value share five new $2.50 prior preferred shares, par $20, and callable at $37.50 a share. All dividend arrears were cancelled.

Canadian Vickers 7% preferred shares are outstanding in three series. Dividend arrears at July 1, 1946, total $117.25 a share for 17,500 shares, $49 a share on 2,000 shares and about $12.25 a share on the 500 shares cumulative from Oct. 24, 1944.

Canadian Vickers preferred is selling about $150 a share as compared with a high of $174 and a low of $97 for 1946.

Cdn. Food Prod Buys Willards

Canadian Food Products has purchased controlling interest in Willards Chocolates, President H. L. Walker informs The Financial Post. All the outstanding common stock and 96% of the outstanding preferred stock has been purchased from Blue Ribbon Corp., former parent company, for a price stated to be around $1 million.

Present management will be retained with C. E. Spooner, chairman of the board of Blue Ribbon Corp. continuing as general manager. It is intended to carry on operations along the same lines as before.

Willards Chocolates, with head office and plant in Toronto, manufactures and merchandises chocolate bars, boxed and candy specialities, selling mainly to the confectionery and jobbing trades, wholesale drug and grocery trades. The "Sweet-Marie" nutroll is one of the company's best-known products.

Outstanding capitalization consisted of 4,740 shares of 6½% preferred cumulative $100 par stock and 385 shares of no par value common stock. Blue Ribbon Corp. had secured control from common shareholders in 1935 through purchase of a reported 14,800 shares at $15 a share.

Further expansion to present Willard lines is anticipated when sugar supply gets back to normal.

WHEN to BUY and WHEN to SELL

The bulletin "MARKET ACTION & INVESTMENT OUTLOOK" is issued once a week. It does not give you a lot of "ifs, ands or buts", and reasons why such and such a stock is attractive or otherwise.

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J. MAITLAND MACINTOSH

has been elected a director of The General Accident Insurance Co. of Canada.

1946 Sales Higher For Stanley Brock

Sales of Stanley Brock Ltd. for the first six months of 1946 are substantially in excess of the same 1945 period, in spite of shortages in many lines of merchandising handled, the company states.

For 1945, the net profit on the present stock was equivalent to 70c. a share after all prior charges including taxes. Profits this year are expected to be somewhat higher on the basis of results to date, it it stated.

The company, through its branches and sales organization, handles a varied line of laundry and dry cleaning machinery and supplies, also represents a number of manufacturers on a commission basis and owns laundries in Winnipeg, Brandon and Regina. Its shares were offered to the public for the first time this year.

DRUMMONDVILLE, QUE., has sold $293,000 of 2½% 20-year serial bonds at 98.041 to Burns Bros. & Denton Ltd. Cost to the municipality is indicated to be 2.70%. Proceeds will be used for work in water and sewage systems, sidewalks and pavings.

EAST KOOTENAY POWER CO. gross earnings for August, 1946, were $67,852 and net earnings $45,996, an increase of $6,566 over the corresponding month last year. Net earnings for five months ended Aug. 31 totalled $193,669 an increase of $12,157 over 1945 same period.

French Firm Interested In Que. Company

MONTREAL, (Staff) — No definite decision regarding the final disposition of the now bankrupt Quebec Pulp and Paper Corp. will be made until the middle of December, Premier Duplessis told The Financial Post early this week. As previously reported (The Financial Post, Sept. 28) it is understood that at least two offers have been made for the property of this company.

One of the interested parties is understood to be Marcel G. H. Cornillat of France. Mr. Cornillat has been conferring with Mr. Duplessis and will return to France shortly, it is learned. Canadian bids for Quebec Pulp and Paper have come from certain Montreal financiers.

Various factors, some of them political, have held up disposal of the assets of the company. In bankruptcy since 1942 at the instigation of the provincial government the assets are under the guardianship of an assignee. Price Brothers Co. and Consolidated Paper Co., which jointly controlled Quebec Pulp and Paper, turned their holdings of 100,000 common shares outstanding over to the province at the request of the Quebec Government to facilitate getting the company out of bankruptcy. Last year a bill was passed in the Quebec Legislature giving the government until 1947 to get the mill reopened.

Shortly after the company went into bankruptcy both Price Brothers and Consolidated Paper Co. expressed interest in acquiring the timber limits of Quebec Pulp and Paper, Quebec Pulp's chief asset is timber land; about 5 million cords of pulp wood of which some 4 million cords is free-hold. There is also mill property at Chicoutimi and at Val Jalbert, Que.

Just what type of pulp and paper production the interested parties are contemplating has not been stated. It is pointed out here by pulp and paper men that money for the financing of a newsprint mill might be difficult to find in Canada. They point to the present comparatively low price of paper company stocks at the present time.

Estimate More Crude Rubber In 1947, Maybe Not For Canada

Early postwar estimates that 800,000 tons of crude rubber might be available for world distribution in 1946 are being revised downward in the light of political unsettlement in the Far East. Latest estimates indicate about 600,000 tons is the most that can be expected this year.

Estimates for 1947 now vary from 600,000 to 950,000 tons. Attainment of the higher figures will depend on the situation in the Netherlands East Indies.

Natives and small holders have been particularly enterprising while production on large estates in British Malaya has also made rapid headway, it is reported, but not much progress has been made on the rubber estates in French Indo-China and British Borneo. Due to international political unsettlement in the Netherlands East Indies, production on estates is almost negligible, being limited to those properties located in Borneo, Celebes and Riouw, the areas under Dutch control. In the territory under nominal Indonesian jurisdiction, in Java and Sumatra, the rubber estates are now reported to be inactive. These areas accounted for most Dutch production before the war.

With production improving, a free market—and possibly some form of futures market—is being talked for rubber after Dec. 31, 1946. Some sources even expect a free market may be announced following the current International Rubber Conference in Washington. Agreements between the United States, the United Kingdom, Netherlands and France provided that the price of crude would be 23½c. a pound f.o.b. the Far East for the second half of 1946—up from 20½ cents for the first half of the year—and provided for a definite split-up of the expected production.

The distribution of crude rubber is still subject to control of the Combined Resources and Materials Board. Consequently, the amount of crude rubber which will be received in Canada will come from the North American Pool and will depend on the allocation of the board. It is expected that the board will continue to control distribution until supplies become more nearly normal. In normal times Canadian supplies are obtained directly from the Far East, mainly from the British settlements, The Financial Post is told.

A big question mark for Canada is whether the Combined Board will remain functioning much longer. While there is no unanimity of opinion, some fear that there will be chaos if the board disappears.

But the higher prospective supply of crude in 1947 does not necessarily mean much greater supply for Canada. Due to lack of dollars and of synthetic Britain, France and the other countries controlling the chief supply sources are intending to use almost 100% crude rubber. This means the amount left over for Canada and the United States may not be much greater than last year.

Higher Earnings Seen For Canadian Canners

This year's substantially larger vegetable and fruit crops, coupled with excellent ripening weather so far, will result in improved earnings for Canadian Canners for the year ending Feb. 28, 1947, an official informs The Financial Post.

Indications now are that packs will be considerably larger than last year in all chief vegetable and fruit crops. In the case of tomatoes and corn, where less-than-average yields occurred, increased acreage is expected to more than make up for the difference. The pea pack, processed earlier in the summer, was a heavy one.

The peach crop, over 75% picked, is expected to set a record high. Canadian Canners anticipates a pack at least 30% higher than last year, the official said. The apple crop will also be one of the largest. The plum crop was very heavy, and even the pear crop is turning out better than was at first anticipated.

Need Sugar for Tomatoes

An improvement in the sugar supply situation will also help canning plants in processing this year's large crop. Companies are not on a quota basis this year as regards sugar for canning of fruits, but are allotted sugar on a fruit weight basis. The sugar situation as regards processing of tomatoes, however, is critical, packers say. Tons of this crop may have to be left in the field because of an insufficient sugar allotment, it is stated.

Canadian Canners' plants are operating to capacity and this year's entire output of canned goods, etc., has been arranged for in advance, as has been the custom in recent years. Though in tight supply, sufficient cans and packaging materials will likely be available for this season's pack, the spokesman said. Jams and ketchups will make their appearance for the first time this year in cans, instead of glass containers.

Tax Cut Means Saving

This year's tax reduction, applied to last year's earnings, would mean well over $300,000 more profit to the company. If all preferred shareholders were to take advantage of the present conversion offer into common stock, this would mean approximately 50c. a share more earnings on all outstanding stock. It would mean about 70c. a share on presently outstanding preferred stock.

This year the company is operating for 10 months under the 60% excess profits tax basis and for two months under the 1947 45% Dominion tax basis. The previous year, excess profits tax was on a 100% basis for 10 months, and the present 60% basis for the remaining two months.

Canada Savings Bonds

The new Canada Savings Bonds will not be offered in a house-to-house canvass as was the case with Victory Bonds.

It is important, therefore, that each individual should make plans in advance to enter an order in person or direct by mail or telephone.

Wood, Gundy & Company Limited are authorized sales agents for the new Bonds and the full services of our organization are available upon request.

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MAPLE LEAF MILLING CO. reports retained net profit was up 34.6% in the year ended July 31. Reflecting refinancing, bond and debenture interest was reduced to $159,702 from $233,742 last year, while reserve for income and excess profits tax, including refundable portion, was $148,000 lower.

Net profits were the best since 1929. An improvement in labor conditions made it possible to operate the mills at capacity throughout the year. While operating conditions continue to be favorable, a substantial part of the profits are required to meet debenture maturities, bond sinking fund and for plant extension and modernization, President D. C. MacLachlan states.

CONS.§ INCOME ACCOUNT

Years Ended July 31:	1946	1945
Net earnings	$1,855,081	$1,881,832
Less: Depreciation	221,927	210,462
Bond interest	159,702	233,742
Empl. pension fund	106,742	94,708
Income taxes‡	702,900	850,000
Net profit†	663,809	*492,920
Less: Divds.	208,810	......
Surplus for year	454,999	492,920
‡Incl. ref. EPT	19,000	79,000

*Before loss on disposal of assets of $30,312 in 1945.

†Note: Co's. report includes ref. EPT in net profit and surplus for year.

	1946	1945
Times All Interest Earned:		
Before deprec.	11.62	8.05
After deprec.	10.23	7.15
Earnings per Share and Dividend Record*:		
Com.: Excl. ref. EPT	$1.59	$1.18
Incl. ref. EPT	1.64	1.37
Paid	0.50	..

*Based on shs. held by public after Cl. A redeemed and o/s common increased to 417,617 shs. in 1945.

§Including Maple Leaf Milling Co. and its subsidiaries Campbell Flour Mills Co., Hedley Shaw Milling Co., and Port Colborne and St. Lawrence Navigation Co.

CONDENSED CONS.§ BALANCE SHEET

As at July 31:	1946	1945
Cash & Dom. bonds	$289,814	$147,518
Accts. rec.	1,874,322	1,939,200
Inventories	5,053,371	4,568,451
Total curr. assets	7,197,507	6,655,169
Other assets‡	767,898	727,398
Invest. in subs., etc.	1,964,454	1,977,097
Fixed assets*	3,364,683	3,362,382
Total assets	13,294,542	12,722,044
Bank loans	1,947,151	1,053,195
Accts., tax., etc., pay.	2,435,630	3,235,651
Ser. deb. instal.	200,000	......
Total curr. liab.	4,582,781	4,288,846
Debentures	1,600,000	1,800,000
Funded debt	2,500,000	2,500,000
Capital stock	2,318,100	1,538,061
Less: Held by subs.	20,482	20,517
Surplus‡	†2,314,143	2,615,654
*After depr. of	3,041,875	2,842,122
‡Incl. ref. EPT	543,753	538,766

†Reflects deduction of $775,509 re premium and accr. divds. on redemption of class A pref.

Working capital	2,614,726	2,366,323

INVESTMENT SUGGESTIONS FOR OCTOBER

BBD

Our "Investment Suggestions for October" contains important issues of interest to the investor seeking a shrewdly balanced portfolio.

Among the issues dealt with are Consolidated Paper Corporation Limited, 3½% First Mortgage Bonds; City of Montreal 3% Debentures; Ottawa Valley Trust Company Capital Stock; Canadian Pacific Railway 4% Consolidated Debenture Stock; Province of Alberta 3½% Bonds and Dominion of Canada Bonds.

A copy of this interesting Bulletin is available for the asking. We also invite you to consult us on the expert planning of an investment portfolio to suit your individual needs.

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Notice to the Holders of Debentures and Certificates of Indebtedness of the

TOWN OF LA SALLE
ONTARIO

Notice is hereby given that a plan for the adjustment and reorganization of the debenture and other indebtedness of the Town of La Salle, Ontario, has been approved by the Council of the Town and the Department of Municipal Affairs of the Province of Ontario and is being recommended to the creditors by the Town of La Salle Debenture Holders Committee.

To become effective the Plan requires the approval of the holders of at least two-thirds of the debt of the Town and the Committee desires to urge that it is important that all holders of debentures and certificates of indebtedness of the Town of La Salle communicate with the Secretary of the Debenture Holders Committee, W. F. McIlroy, Tenth Floor, 302 Bay Street, Toronto 1, Ontario, in order to obtain details of the Plan affecting their securities together with the Form of Approval and Proxy.

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55 Preferred Stocks Down Only 5% From 1946 Highs in Current Slump

BY JAMES H. JOYCE

A mythical investor, who limited his stock holdings exclusively to preferred shares in 55 Canadian companies, would have lost only one-fifth as much money as the holder of an all-common-stock portfolio during the recent market slump.

That is one of the conditions disclosed in a study of 55 Canadian preferred stocks made by The Financial Post. Tracing the preferred shares from their 1946 highs to current quotations discloses other significant facts:

Holders of 38 callable preferred stocks, in turn, would have averaged only one-fifth of the loss which holders of 17 noncallable preferreds would have suffered—or only of the common stock percentage drop.

The total market price of the 55 preferred stocks is now down 4.9% from the 1946 highs while the Dominion Bureau of Statistics index of 100 common stocks is down nearly 21%.

On the other hand, the average yield on these 55 preferred stocks is only 6.7% greater than at their 1946 highs as compared with a 30% greater return on a similar basis from 25 common stocks (The Financial Post, Sept. 21, 1946.)

Average yield of the 55 preferred stocks is now 4.44%. It was 4.16% at their 1946 highs.

In the accompanying table, The Post lists the 55 preferred stocks reviewed showing their dividend rate, per share earnings for the last fiscal year, price and yield at the 1946 high and on Sept. 26 and their call price, where callable.

Twenty-three or 41.8% of the 55 preferred stocks yielded less than a 4.00% return at their 1946 high price while 27 or 49.1% yielded over 4.00% but less than 5.00% and only five or 9.1% yielded 5.00% or over. On Sept. 26, only 17 of these preferred stocks (or 26% less than at the highs) yielded under 4.00%, 28 yielded between 4.00% and under 5.00% while 10 (double the number as their highs) yielded 5.00% or over.

The greatest increase in yield as a result of the drop in price is apparent in the lowest yielding group, the smallest in the highest yielding group. The average return of the 23 stocks yielding less than 4.00% at their 1946 highs increased 8.2% —from a yield of 3.54% at their highes to 3.83% on their Sept. 26 price. Average return of the 27 stocks yielding 4.00% to 5.00% at their highs increased 5.9%— from a yield of 4.42% to 4.68%. But the increase for the five highest yielding stocks was only 4.8% — from a yield of 5.67% to 5.94%.

Based on Sept. 26 prices, the average return for the 17 preferreds yielding less than 4.00% is 3.68%; for the 28 in the 4.00%—5.00% class is 4.51% and for the 10 yielding 5.00% or over is 5.54%. These yields compare with an average 4.43% return on the common stocks analysed by The Post and with a 2.73% return on Dominion of Canada 3% perpetuals.

But investors should note that 18 or 32.7% of the 55 preferred stocks are selling over their call price, — a factor which tends to keep their price down and their yield higher than would otherwise be the case. And nearly twice this number—35—were above their call prices at their 1946 highs. Seventeen or 30.9% of the stocks are not callable.

Investors in the callable preferred stocks have taken less of a beating on the average than those holding the noncallable preferred stocks Over five times as great a percentage drop in market price from their highs is shown by the 17 noncallable preferred stocks as is shown by the 38 callable preferreds, a fact which is partly explained by the depressing influence of the fear of redemption exerted by a call price on a stock selling over its call price. Another factor would be the high dividend rate and consequently relatively high price of most noncallable preferreds.

An investment in one share of each of the 17 noncallable preferreds would have declined in value from $1,841.38 at the 1946 high to $1,442.22 on Sept. 26 or 21.7%. This is slightly greater than the 21% drop in the market value of common stocks shown by the DBS index. But, as a result, an investor buying one share of each now would get an average return of 4.09%—9.4% better than the yield of 3.74% he would have obtained if the 17 stocks had been purchased at their 1946 highs

However, an investment in one share of each of the 35 preferred stocks selling above their call price at their 1946 high would only show a drop of 4.0% in value—from $2,877.50 at the high to $2,762.75 at Sept. 26. As a result, an investor buying these stocks now would have a 5.7% better return than at their highs (4.61% as against 4.36%).

Three preferred stocks — Argus Corp. 4½%, Price Bros. 4% and Purity Flour Mills $2.50-$3.50 — were at or below their call price at their highs. These three stocks also show a better record than the noncallable preferreds. The average market price of the three dropped only 4.0%., while their average yield rose from 4.29% to 4.45%,— a 3.7% increase.

An investor buying one share of each of the 18 preferred stocks still selling over their respective call prices would invest $1,450 and obtain a return of 4.48%. These stocks are selling at a total of $36.75 over their call price,—which is equal to 2.5% of their cost or 55.7% of the annual indicated dividend. They are also a total of $47.88 or 3.2% below their 1946 high prices.

While preferred stocks are generally referred to as safer to hold in a falling market than common stocks, the great variance in results shown by The Post's study indicates the necessity of investors selecting their preferred stocks carefully with a view to their past record and their current position.

REPRESENTATIVE PREFERRED STOCKS

		Par Value	Dividend Rate	Per Share Earnings*	At 1946 High Price	At 1946 High Yield	Approx. —Sept. 26— Price	Approx. —Sept. 26— Yield	Call Price
		$	$	$	$	%	$	%	$
Abitibi Power	Prior	20.00	2.50	34.39	40½	6.17	37½	6.67	37.50
Acadia-Atlantic Sugar	5%	100.00	5.00	12.80	107	4.67	104	4.81	105.00
Algoma Steel	5% pref.	100.00	5.00	64.84	103	4.85	100½	4.98	100.00
Aluminum Co. of Can.	4%	25.00	1.00	19.32	27⅜	3.65	26¾	3.74	27.00x
Argus Corp.	4½% Conv.	100.00	4.50	....	102	4.41	94	4.79	105.00
Belding-Corticelli	7%	100.00	7.00	18.40	176	3.98	169½	4.13	N.C.
Canada Bread	4½%	100.00	4.50	14.62	108½	4.15	106	4.25	105.00x
Can. Cycle & Motor	5%	100.00	5.00	51.83	111	4.50	108½	4.61	105.00
Can. Nor. Power	7%	100.00	7.00	8.72	113	6.19	111	6.31	110.00
Canada Packers	A	n.p.v.	1.50	4.54	44½	3.37	40	3.75	N.C.
Can. Steam. Lines	5%	50.00	2.50	4.83	53	4.72	48	5.21	52.50
Canadian Canners	B non cum. conv.	n.p.v.	1.00†	2.88	32	3.13	27	3.70	20.00
Can. Car & Foundry	A Conv.	20.00	1.00	3.86	23¾	4.21	20	5.00	N.C.x
Canadian Celanese	1.75	25.00	1.75	4.10	44½	3.93	40½	4.32	40.00
Can. Food Prod.	A	n.p.v.	1.00	3.26	24	4.17	19½	5.13	N.C.
Canadian Industries	7%	100.00	7.00	106.00	195½	3.58	187	3.74	N.C.
Canadian Oil Cos.	5%	100.00	5.00	16.23	107½	4.65	106	4.72	105.00
Davis Leather	A Conv.	n.p.v.	1.50	4.33	34	4.41	30	5.00	N.C.
Dist.-Seagrams	5%	100.00	5.00	107.89	119¼	4.19	110½	4.52	105.00
Dom. Glass	7%	20.00	1.40	58.89	49	2.86	37	3.78	N.C.
Dom. Malting	5%	100.00	5.00	12.46	109	4.59	103½	4.83	105.00
Dom. Tar & Chem.	1.	23.50	1.00	5.89	28	3.57	25	4.00	25.00
Dom. Textile	7%	100.00	7.00	109.23	194	3.61	182½	3.84	N.C.
Donnacona Paper	4½% Conv.	100.00	4.50	11.56	107	4.21	104	4.33	105.00
Eddy Paper	A Conv.	20.00	1.00	....	22¾	4.40	20¾	4.82	N.C.
Gatineau Power	5%	100.00	5.00	16.62	111	4.50	109¼	4.58	110.00
Goodyear Tire	4%	50.00	2.00	15.28	57	3.51	54	3.70	54.00x
Gordon MacKay	A	n.p.v.	.50	....	12⅛	4.12	11¾	4.26	N.C.
Howard Smith Paper	4%	50.00	2.00	7.18	54	3.70	53½	3.74	52.50
Imperial Tobacco	6%	4.86⅔	0.292	3.74	8¾	3.34	7⅞	3.71	N.C.
Industrial Acceptance	5%	100.00	5.00	14.16	106	4.72	106	4.72	105.00
Inter. Metal Ind.	4½%	100.00	4.50	20.17	105½	4.27	101½	4.93	103.00
Inter. Milling	4%	100.00	4.00	52.53	115	3.48	107	3.74	110.00
Invest. Foundation	6% Conv.	50.00	3.00	4.00	53½	5.60	52	5.77	52.50
Mc[illegible]ll Front. Oil	4%	100.00	4.00	25.18§	104	3.85	103½	3.86	102.50
Massey-Harris	6¼% Conv.	20.00	1.25	3.32	35½	3.52	26	4.81	30.00
Montreal Cottons	7%	25.00	1.75	3.38	42	4.17	42	4.17	40.00
Moore Corp. A	7%	100.00	7.00	76.42	320	2.19	285	2.46	N.C.
National Breweries	7%	25.00	1.75	21.48	53	3.30	50½	3.47	N.C.
National Grocers	1.50	20.00	1.50	5.32	30⅜	4.94	28¼	5.31	27.50
Nova Scotia L. & P.	6%	100.00	6.00	21.04	119	5.04	110	5.45	105.00
Ogilvie Flour Mills	7%	100.00	7.00	58.88	182	3.85	182	3.85	N.C.
Power Corp.	6%	100.00	6.00	17.68	112¼	5.35	108¾	5.52	110.00
Price Bros.	4%	100.00	4.00	43.09	102½	3.90	101	3.96	103.00x
Purity Flour	2.50-3.50	40.00	2.50‡	7.13	55	4.55	54¼	4.61	55.00
Rolland Paper	4¼%	100.00	4.25	7.86	109	3.90	103	4.13	104.00
Saguenay Power	4¼%	100.00	4.25	23.98	106	4.01	105	4.05	104.00
Sherwin-Williams	7%	100.00	7.00	21.39	187	3.74	175	4.00	N.C.
Simpsons	4½%	100.00	4.50	20.12	108½	4.15	105	4.29	104.00
South. Can. Power	6%	100.00	6.00	10.60	132	4.55	125	4.80	N.C.
Standard Chemical	5%	100.00	5.00	28.74	106	4.72	102	4.90	105.00
G. Tamblyn	4%	50.00	2.00	22.26	54½	3.67	54	3.70	52.50
Tuckett Tobacco	7%	100.00	7.00	25.74	183	3.83	181	3.87	N.C.
George Weston	4½%	100.00	4.50	29.15	108½	4.15	106¼	4.24	104.00
Zellers	5%	25.00	1.25	5.76	29¼	4.27	27	4.63	26.25

* Total including refundable EPT and for latest fiscal year.
x Subject to change.
† Maximum.
‡ Increases to $3.50 July 1, 1948.
§ On old 6% stock.

MANITOBA POWER COMMISSION announces that effective with the November billing for energy consumed in October, the first block of 100 kw.h. in commercial rates will be reduced from seven cents to six cents per kw.h. There will be no change in the second block of 200 kw.h. at four cents per kw.h. and all additional energy will remain at two cents per kw.h. This reduction will be effective over the entire system except that the second block rate in the cities of Brandon and Portage la Prairie will be three cents per kw.h.

Sale By Tender

Located on North Wharf, Saint John, N.B., three buildings, all 4 storey mill construction with solid brick walls, each equipped with a freight elevator; large office recently modernized in centre building. Shipping lane in rear.

Nos. 1 and 2 are each 32 x 100 ft. and completely sprinklered. No. 3 is 32 x 50 ft. not splinkered, total of 32,000 sq. ft.

At present, all three are being used as a single unit, but existing fire doors would make separation an easy matter. Suitable for warehousing or light manufacturing. Occupancy by January 1, 1947.

Tenders will close at 12 o'clock. noon, November 1, 1946, and should be mailed to the below mentioned address. Any tender not necessarily accepted.

Further information may be obtained by writing

ATLANTIC WHOLESALERS LIMITED,
BOX 550, SAINT JOHN, N.B.,

or applying at No. 13 North Wharf for inspection.

H. R. MILNER, K.C., EDMONTON

who has recently been elected to the Board of Directors of the Toronto General Trusts Corporation. At the same time, Mr. Milner has accepted the position of Chairman of the newly formed advisory board in Edmonton where the Corporation is expanding its branch office. Senior partner of the law firm of Milner, Steer, Dyde, Poirier, Martland & Bowker of Edmonton, Mr. Milner is President of Northwestern Utilities and other utility companies in northern Alberta. He is a director of Burns & Co., Calgary and Edmonton Corporation, Home Oil Co., Trader's Finance Corporation and North American Life Assurance Co.

J. K. SIMS

has been appointed a director of The Economical Mutual Fire Insurance Co., Kitchener, Ont.

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NOTICE

Regarding Declaration of Finnish Company Shares and Bonds.

By virtue of the State Council's decree of December 31st, 1945, concerning regulation of monetary conditions the Ministry of Finance has issued the following instructions for declaring abroad of securities:

> All shares in Finnish companies and all bonds in Finnish Marks, except bonds issued by the Finnish Government. are to be declared before the 31st of October, 1946. The receiving office for declaration in Canada is the Royal Consulate General of Sweden in Montreal. Special forms have to be used for declaration of shares and bonds and must be filled in in triplicate at the same time as the securities are presented there. However, their presentation is not necessary if such securities have been presented to a notary public of this country and he has written a certificate hereof in the stamping declaration. It is to be noted that in all cases when declaration is sent to the Consulate General by mail the signatures must be endorsed by a notary public.

In this connection the Consulate General wishes to point out that according to the State Council's decree mentioned above, the failure to observe these regulations within the time limit set forth above will cause the shares, bonds and securities to be declared Government property without indemnification.

All forms mentioned above and information concerning the declaration are obtainable by request from

Royal Consulate General of Sweden.
In charge of Finnish Interests in Canada.
1462 Bishop Street, Montreal, Que.

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You will want to buy these Bonds because . . .

1 They are safe—backed by all the resources of Canada.
2 You can cash them any time at the price you paid for them.
3 They earn money for you—2¾% interest each year for ten years.
4 They provide a higher return than you can get from any comparable investment.
5 Your Bond will be registered in your name, thus providing protection against loss.
6 Interest is paid by coupons on November 1st each year.
7 They can be bought for cash or on a monthly savings plan.

To purchase these Bonds an official application form must be used, a copy of which we will be glad to send you upon request.

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330A

Consumers Should Have Voice

Toronto's Mayor Saunders was on sound ground when he protested against the lack of consumer representation on the Ontario Milk Board. This Board, and similar organizations in other provinces, assume arbitrary powers over prices and marketing distribution, yet the man who finally foots the bills has no real voice in their decisions. Producers and distributors have divided the representation, with usually a government-appointed chairman to keep peace between them.

Whether or not a three-cent rise was justified, without question producers had a strong case for higher milk prices. The ending of the 55 cents per hundred pounds subsidy, labor shortages and higher feed and other costs, all pointed in that direction. And even without these supporting factors, the steady decline in production in the last year was sufficient in itself to warrant some encouraging action. But in leaving the matter of price-raising entirely to the milk boards, producers and distributors were asking for the flood of criticism which has swept across the country.

This matter has been brewing since last spring when the Dominion Government warned that subsidies were going to be terminated. That move was inevitable anyway, as it was never intended that such subsidies were more than a wartime emergency measure. As a matter of fact, it was hard to justify them even in wartime when average purchasing power rose sharply, and certainly they could not be supported after family allowances were started.

Instead of concentrating on trying to get the milk subsidies continued, producers would have been better advised toward preparing the public for higher prices. They had a good case but few consumers heard their story.

Now consumers are demanding proof that the new milk price is justified and they are entitled to that proof. Even with this forthcoming, however, producer prestige with consumers has suffered, which is not good for future business and not good for the country generally.

Friction and misunderstandings of this kind between town and country people could be largely avoided if consumers were adequately represented on all those marketing boards which deal with domestic sales of farm products. Especially is this true of organizations like the provincial milk boards, which assume really dictatorial powers.

Let's Have Action, Mr. Stalin

Our Soviet lovers have taken deep satisfaction out of Stalin's "peace" speech. For months, and year's perhaps, that speech will be held up to the world as proof of Moscow virtue defending itself against democratic vileness. As such, it was a good propagandist coup.

But actions speak louder than words.

Take the U. S. diplomatic note to the Kremlin on Hungary. The note calls attention to solemn promises made by Russia at the Crimea conference regarding the postwar position of ex-enemy countries in central Europe. It calls attention to Russia's repeated violations of those promises. It regrets the fact that Russia has not only failed and refused to carry out her pledges, but even refuses to give reasons for so refusing.

There's a specific situation where, right away, Stalin can put to work his professed principles of "friendly and lasting co-operation."

Veterans Have Done Well

Veterans generally, and their organizations especially, would be well advised to disassociate themselves from these recent squatting episodes. True the scarcity of housing has been particularly hard on the returned service man anxious to get re-established, but taking the law into his own hands can only be condemned. It is not good publicity and it could easily get out of hand with irresponsible leaders using legitimate veterans' grievances to further their own aims or ego.

There can be few complaints of the way the new veterans have conducted themselves so far. They have fitted into business and industrial life smoothly and quickly. Their discipline and special training have proved assets of real value. Their excellent record at the overcrowded universities last year amazed even those who predicted they would do well. See page 15 of this issue.

The general and generous appreciation of the way the new veteran has settled down is all the more remarkable when one realizes the experience of the audience that has watched him come back. Unlike 1919 when the average Canadian civilian had no conception whatever of returned soldier problems, this time there were close to half a million mature citizens who had. These were the veterans of the first Great War, men, who as veterans, were bound to be critical and perhaps were envious of the more generous re-establishment assistance given the service men of this war.

Dollar Bills With Coupons

A safe investment from which an investor can get his money back without any loss at any time. That is the ultimate aim of a gilt-edged investment. That is what investors are offered in the new Canada Savings Bonds. "A dollar bill with coupons on," is one graphic and fitting description of this new investment instrument.

Being redeemable 100% at any bank in Canada and at any time, these new bonds will be as liquid as a bank deposit—almost as liquid as a dollar bill.

But they also pay the investor 2.75% return—almost twice as much as obtainable on a bank savings deposits. Their return is over 13% better than that obtainable at present on Dominion of Canada 3% bonds due 1956/59, the nearest comparable outstanding bond.

Purchase of the new Canada Savings Bonds is an excellent way of continuing the regular monthly savings practice which most individuals started in the war years. It is a good way of building a "nest egg."

With the production of new cars, refrigerators, washing machines and other needed goods, delayed by strikes and shortages, the purchase of the new bonds will be a sure method of insuring that money will be available when the goods are, and not be frittered away in the meantime on unnecessary, inflationary spending.

Still Better Automobiles

Canadians are by no means satisfied that automobile development has reached its limit, judging by the response of highly qualified observers to a Financial Post question last week. There are many changes they would like to see and expect in their cars in the next five years and most of them have to do with safety, sturdiness, simplicity or cheapness.

These observers—engineers, officials of automobile associations, and people who have driven cars for many years and many miles—want vehicles better adapted to the Canadian climate and to modern traffic conditions. They want cars that will have long life and, if possible, with parts and other equipment that will have equally long life.

They would like more efficient and safer lights for night driving, more road vision, better heating for winter, and easier tire changing. They want less upkeep, sturdier and simpler bumpers and fenders to protect against damage in parking and heavy traffic, parts that need frequent replacing or adjusting in readily available positions so that repair bills will be lower and tieups shorter. In brief, the average motorist, according to these observers, is more interested in safety, cheapness and simplicity than he is in mere glisten and swank.

Unquestionably the automobile makers have made tremendous progress along these lines in the last 25 years. There is simply no comparison between the cars of 1921 and those of 1946. Tires that used to wear thin in 10,000 miles can now be driven four times as far. Bodies are stronger, safer and more comfortable. Engines are quieter and more powerful. Expensive and frequent repainting is no longer necessary, and driving fatigue has been greatly reduced.

But we have not reached perfection yet and certainly never will. There is still plenty of scope for real improvement and the motor engineer who will offer that improvement does not have to worry about market saturation.

New Zealand Needs New Blood

Forecast of a tax reduction program for laborite New Zealand, a move to return to industry some of the incentive sapped from it by excess profits taxation and 33⅓% income levy, might give pink-tinted Canadians pause for thought. The little island across the world from us has been a stock example in CCF argument for years.

"Look," we've been told, "at the Utopian isle of New Zealand, where all is milk and honey."

Look, now, at a land in which industry has been strangled to the point where even a socialist government is beginning to worry. A recent issue of World Report says that not only will excess profits taxes be done away with, and income taxes cut in half, but the sales tax will be reduced as well.

The story is simply one of socialist theory run aground on the rocks of reality. To finance top-heavy government spending on socialization of the nation, taxes had to be pushed higher and higher. So high did they go that taxpayers simply couldn't climb after them. And, right there, was the reality that stopped the theory, the same reality that is ignored by many a parlor pink: the necessity of paying for the milk and honey.

When a leading socialist government offers a blood transfusion to industrial and business enterprise, it is a significant admission indeed.

Butter Producers Go to U.S.

In the last five years Canadian dairymen have shipped scores of thousands of milk cows to the United States. Had these cows been kept at home and their milk manufactured into butter, there would have been no acute shortage of the latter product. On the contrary there has been a continuous shortage and now we are told that the ration must be cut again.

We are not advocating an embargo on the export of dairy cattle. Embargoes are drastic measures, and in the end often prove a boomerang to those who expected to benefit.

The market for Canadian dairy cattle in the United States is of almost vital importance to Canadian dairymen. It gives them a highly profitable sideline, and it encourages them to breed more and better dairy animals as they are assured of a lucrative outlet for any surplus.

But all this is of little comfort to the Canadian butter consumer. He cannot get nearly enough butter to satisfy his requirements, and the only satisfactory substitute, margarine, is banned by law. Yet dairymen have freely shipped butter-producing cows to the United States, where the sale and manufacture of margarine is permitted.

One can well imagine what a howl would be raised if all textiles but wool were banned in Canada and then, during the certain shortage that would follow, farmers started shipping sheep to the United States. And this comparison is not unfair. There was never any more excuse for banning the manufacture and sale of margarine than there would be for banning the manufacture and sale of cotton and rayon goods. That sort of thing should have no place in any country, let alone one which professes to be a democracy.

The Government should forget about pressure groups and face this matter squarely and at once. It should also forget the shameful performance in the senate last session, when a bill to end the ban on margarine was defeated. Canadian consumers will, if necessary, face another cut in the butter ration, but they will certainly expect that there will be no more shilly-shallying on this margarine question. Why should Canadian housewives be forbidden a product that is freely available in the United States and Great Britain that is a leading manufacture of such great dairy producers as Denmark and Holland?

Better Check, Mr. Winchell

Radio's Walter Winchell recently said newsprint rationing for America was on the way because Canada is shipping so much overseas.

The fact is that Canada allocates 80-85% to the American market, has sent the U. S. 2,173,215 tons to the end of August this year or 33% more than last year. August shipments were 294,847 tons.

It seems to us that our Canadian newsprint men have been doing pretty nicely—and faithfully—by Uncle Sam.

Stop Me If—

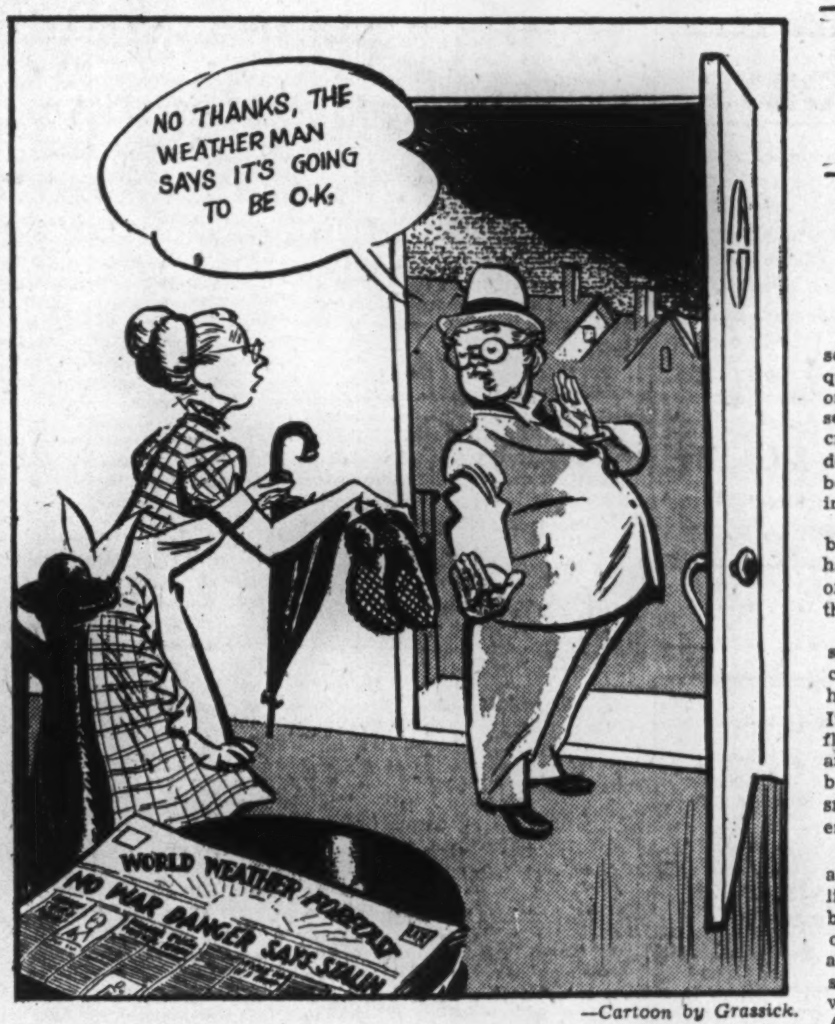
"What has your boy learned at school thus far this term?"

"That he'll have to be vaccinated, that his eyes aren't really mates, that his teeth need replacing, and that his method of breathing is entirely obsolete."

* * *

"Madam, what do you mean by letting your child snatch off my wig?"

"Sir, if it is just a wig, think nothing of it. I was afraid that the little devil had scalped you."


NO THANKS, THE WEATHER MAN SAYS IT'S GOING TO BE O.K.
WORLD WEATHER FORECAST
NO WAR DANGER SAYS STALIN

—Cartoon by Grassick.

Post Scripts

More Canadian Direction

Much has happened since 1670 when King Charles II of England granted his charter to the "Governors and Company of Adventurers of England trading into Hudson's Bay." Many of the greatest changes have occurred in this world's oldest trading corporation within the last 35 years.

There has been a steadily increasing recognition by the company's London Board that successful operation is dependent to a large extent upon its management and direction in Canada. Recently, precedent was broken with the appointment to that board of Philip A. Chester, general manager at Winnipeg. This is the first time an active member of the executive has sat on the board.

MR. CHESTER

First major step in relaxation of the company's established policy of remote control was taken in 1911 with the creation of a Canadian Advisory Committee to keep London in touch with what was going on on this side of the Atlantic. In 1930 this was changed to a Canadian committee and the chairman automatically became a member of the London Board. Chester's appointment is signficant, in that it is a still wider recognition of the importance of direction of the business.

Chester's biography is the normal narrative of a life of work and application. Born in England and educated there, he is one of the youngest business executives of the West, only recently turned 50. He has been with the Hudson's Bay Co. since he got his standing as an Associate of the Institute of Chartered Accountants of England and Wales in 1923. He started that year in the company's London office and was transferred to Canada in 1924.

In 1930 he was appointed general manager for all the company's operations in North America.

His 22-year business career in Canada has been interrupted twice by war. In World War I he enlisted in August, 1914, with the 9th Battalion of the King's Royal Rifles and served with the British Army in France almost continuously for the war period, except for two short intervals when he was wounded. He left the Army with the rank of captain.

In World War II his services were made available to the Government by his company to accept an appointment in August, 1940, as Acting Master-General of Ordnance for the Department of National Defense. He was the first civilian to hold the post.

Chester has always had a good listening ear for suggestions. He is a quietly aggressive man of equable temperament who does thing with a minimum of ostentation. To them his chief characteristic is his modesty. He never talks about himself. Newspapermen know him as publicity aloof and camera shy. He may be shocked to find it out, but they are the persons who most often have to tell visiting tourists who heads the Hudson's Bay Company in Winnipeg.

Chester was married in 1925 to Isabel Louise Ivey, daughter of Mr. and Mrs. Charles H. Ivey, London, Ont. There is one son and one daughter.

* * *

"Mediator Not Arbitrator"

When Steel Controller Kilbourn named Thomas Francis Rahilly mediator between the United Steel-Workers and the Steel Company of Canada this week, men on both sides of the fence felt better. With straightforward Tom Rahilly between them, union and management alike were assured of a square deal. He's that kind of man.

Now president of Toronto Iron Works, the 54-year-old Irishman knows about both steel and men. He's not an engineer by profession, having cut his schooling short in the United States and come to Canada as a travelling auditor for the Algoma Central & Hudson Bay Railway in 1913, and he's not a personnel man by formal training; but Rahilly is the man for the job.

He knows about steel from 23 years' association with Algoma Steel Corporation at the Soo—eight years as general manager. And he learned the steel picture well enough to be made adviser to the Steel Controller at Ottawa in August, 1943, for the duration. Rahilly is still a member of the special advisory steel committee that has outlasted the war to keep Reconstruction Minister Howe posted.

In dealing with organized labor, Rahilly started early, too. When he was 23 he appeared before a board of conciliation in Toronto City Hall as principal company witness in a dispute involving the Brotherhood of Railroad Trainmen and the Order of Railway Conductors. Young Tom emerged from that with a raise from the company and lasting friends among the trainmen.

Today Rahilly is a young-looking man. He has a level, candid gaze, a head of steel-grey hair and a face that shows lines only where an Irish smile cuts across his cheeks. Day after his appointment he was off to Montreal to confer with Kilbourn on the job at hand. His only comment was that he will keep out of any disagreements so far as he can, will get the steel strike settled as fairly as possible for all parties and start steel rolling as fast as he can into the nearly depleted stockpiles of his own Toronto Iron Works and other firms in the country.

"I'm going into this thing as mediator, not as arbitrator," he told The Financial Post. "It's not my job to make the decisions, but to see that decisions are made."

On the social side, Rahilly is a golfer of some ability. His clubs include the St. James's in Montreal, the Rideau at Ottawa, the Granite, Toronto, and the Sault Ste. Marie Country Club. He is a member of the American Iron and Steel Institute, and has four grown-up sons who are already displaying their father's happy knack of getting along with people.

* * *

At London Conference

Most of the names in Canada's delegation to the ITO conference in London (McKinnon, Sim, McGregor, Deustch, Kemp, Pierce) are now well-known in Canada's civil service. One name is quite new. It is Louis Eugene Couillard.

MR. COUILLARD

Couillard has been with the Department of Trade and Commerce since October, 1945. His father is Treasury officer in the same department.

Pere Couillard started his son in a French classical course at University of Ottawa. He stayed there six years following the traditional pattern of many French-Canadian youths. But then something different happened. Couillard was told by his father he must leave the sheltered classical atmosphere of French-speaking Ottawa University and strike out for the matter-of-fact Commerce Course at English-speaking Queen's.

After graduation from Queen's in 1938 he went to work for Canada Packers as assistant country sales manager for two years. Then in 1940 he joined the economic research branch of WPTB. The following year he did organizational work for the Unemployment Insurance Commission.

In 1941 he enlisted as a private in the Royal Canadian Corps of Signals; served in northwest Europe and was a major when he received his discharge in 1945. Since then he has been with the economic analysis section of the Commercial Relations division of Trade and Commerce.

Couillard will attend his first major economic assignment for Canada as executive secretary for the Canadian delegation.

Give The Public Positive Facts

General Mills, Inc. Sums Up Its Policy on Talking to the Public

Interpreting the place of business to employees and the public is one of the biggest jobs facing the businessman today. Reprinted from Advertising Age, here is a concise statement of the policy that guides the public relations work of General Mills, Inc. The big American corporation has its director of advertising in a vice-president's chair and has him carry a Director of Public Services title as well. The following is by Abbott Washburn, an assistant director of public services, next to the vice-president, Sam C. Gale.

Sumner Slichter, the Harvard economist, and Claude Robinson, public opinion analyst, both have emphasized that business has lost what they call the "intellectual initiative," that most of its public utterances tend to be negative, or complaining, or merely defensive.

This is unfortunate, because the great majority of companies have positive and progressive stories to tell. They are doing things the public would be glad to hear and know about . . . in terms of new jobs and opportunities, new products, new conveniences for consumers, new uses for the farmers' raw materials, new programs for employee safety and health—all based on a sincere confidence in the American system's ability to continue to improve the general living standard of our people.

This is certainly a positive story. It is one that we think is best told by each individual company in terms of its own activities.

We are working hard to keep all General Mills' public statements accurate and on the positive side. As an example, a little folder listing 12 "Basic Policies on Which Our Company Operates" was mailed to all employees and stockholders with our annual report this year. When our advertising agency made the layout for the folder, they commented, "We're a little puzzled by this. It contains nothing that any progressive company couldn't say." True, but the point is, they are not saying it.

Basic Policy No. 3 headed "Free Competitive Enterprise," reads as follows:

"We believe that free American competitive enterprise, under constitutional democracy, is the best of all economic systems, productive of the greatest good for the greatest number. We believe that labor and management — together with farmers, consumers, stockholders, and government — are mutually dependent, and must all work together."

In recent months there has been a growing hue and cry over the need for "selling" free enterprise to the American people. The subject has taken up a lot of editorial space, has been discussed at length by convention committees, and is being treated of in paid ads and via commercial radio. The purpose of the messages is to convince the American masses that free enterprise is peachy.

We submit that the psychology being followed is far off the track. The only thing that will be accomplished by such advertising will be to convince certain elements of the public that the fat cats are hard at work again protecting their vested interests. Americans inherently resent being told what to believe in, whether it be free enterprise or the divine right of kings. The only sound way to convince an American citizen of anything is to give him the facts and ask him to make up his own mind.

If the facts cannot convince him of the benefits of constitutional democracy and freedom of enterprise, no amount of commercial advertising will have the slightest effect.

Thus, if each company will quit worrying about what may or may not happen to industry as a whole, and concentrate on telling its own story — factually, clearly, and adequately to employees, stockholders, and the consuming public — we will have little to fear from nationalization and the totalitarian bogeyman.

The institutional advertisements which we have prepared for the coming fiscal year attempt to interpret some of the simple business arithmetic back of General Mills' operations. Reliable surveys show that a good many people think business profits average 30 cents on the sales dollar. Our ads will emphasize the company's modest profit margin of a little less than 2½ cents on each dollar of sales. They will show the relation of dividends to wages (over $30,000,000 to the 10,000 employees last year, as against $4,253,000 to the 12,000 owners of the company). They will stress the relationship between total sales and the cost of items purchased from farmers and other suppliers. (Of the $298,000,000 sales volume last year, $220,000,000 went to the farmer and other producers of raw materials.)

All of the ads will carry the economic story of high production as the only answer to higher wages, higher dividends, and stability of earnings over the years. Along this same line, research and expansion will receive attention as important builders of security, increased employment, and economic progress.

In short, facts and figures, interestingly presented, dominate the copy.

Vague generalities about "our way of life" are out.

The same factual messages are being given to the employees via company publications and bulletin boards — to stockholders in news letters and in special informal meetings that will be held throughout the country in November.

If we can succeed in getting the facts across, we will not have to worry about the majority's opinion of General Mills as a corporate citizen.

What Others Are Saying

Editorial of the Week

We Are Dealing With Zealots

Leamington Post and News

We are not one of those who have been quick to see a Communist behind every tree, nor have we been quick to agree with those—possiby more thoughtful or more nervous souls—who could. That more conservative attitude is not, we trust, the result of a blind credulity; it is based on the conviction that the best defense against a bad idea is a better idea, and that the best protection against the propaganda of unfriendly interests is to be found in education.

The shocking evidence of the espionage enquiry robbed us of that confident belief. Those Canadians who had the opportunity to know and understand our way of life held another way of thought that was dearer than their birthright.

There is a growing impression also in the minds of some thoughtful people that the same forces that have colored the thinking of those sellers of their birthright have been infiltrating many otherwise useful agencies. It is their belief that there is an "irrepressible conflict" developing in the ranks of labor. They see sober and right-thinking men moving intelligently toward a better day for the working men aligned against a small but powerful minority, greedy for power, whose ends are achieved when disorganization is achieved.

It is startling to find that it is possible to write on almost any subject, matters of politics or even religion, and arouse no more than a good-tempered debate. It is not possible to voice the faintest criticism of Russia or her leaders or her policies without bitter and angry protests. To these protestors Russia is a sacred cow that must not be criticized, must only be worshipped. And this is not in Russia. It is in Canada. And these protestors are Canadians, and they are more impassioned in their defense of Russia and her beliefs than they are of anything Canadian.

We have seen this attack begin in Canada. We have seen it grow in small if not dangerously persistent ways. We must realize that we are dealing with persons who weigh no evidence and assess no values. We are dealing with zealots. We might as well admit the power that exists in one who would rather destroy a world than recant his views.

Other People's Views

KEEP YOUR POWDER DRY, intimates the **Windsor Star** which does not seem too assured by the recent statement from Moscow. "Stalin sees no war in the near future, but in the very same breath with which he makes the statement, he utters words that reveal in him the spirit which has given birth to wars for generations past."

ACTUAL INTENT OF STALIN'S friendly speech, says the **Winnipeg Free Press**, "can only be judged by Russia's subsequent acts. If it proves only the latest in a long series of conflicting statements from the Kremlin, it will be of no permanent value. If it means that United States and British policy has persuaded Russia to begin a basic and co-operative bargaining with the West on the vital issues of peace then it may mark a great turning point in the search for peace. Between these alternative interpretations of the Stalin statement it is too early to judge."

ONTARIO GETS MUCH OF THE CREDIT for British Columbia fruit, asserts the **Vancouver Sun** which declares that most B. C. peaches and apricots "are picked and shipped under Ontario labels without acknowledgment as to source. The bulk of canned tomatoes and tomato juice follows the same channel, again with Ontario labels. Beans are also canned in the Okanagan and freighted away with meagre, if any, credit being given to the source."

ANOTHER DOMINION-PROVINCIAL CONFERENCE is needed, declares the **Windsor Star**, "but one that will meet in an entirely different atmosphere. If representatives of the Dominion and the provinces come together again, they must do so determined that the good of the whole nation, not that of any one section, shall be the chief consideration. They must meet as partners rather than antagonists. If that can be accomplished, then the discussions can achieve something worth while. If not, the whole scheme had better be abandoned."

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

DOUGLAS M. GOWDY, Manager
RONALD A. McEACHERN, Editor

Royd E. Beamish, Gordon L. Smith, assistant editors; Clive H. Chattoe, construction industries editor; Gordon M. Grant, mining editor; James H. Joyce, investment editor; Donald G. MacLean, insurance and banking editor. Associates: N. J. O'Neail, W. L. Dack, R. R. Robinson, Hugh Agnew, Ronald Williams.

Ottawa: Kenneth R. Wilson, 269 Irving Avenue, 8-0847.

Montreal: Arthur D. Styles, Howard Gamble, Dominion Square Bldg., MA. 2331.

Corporation Records: Frank G. Carter, Kathleen Farmer, Winifred Flanagan, Mary Hill, Hazel Horgan, Grace Leaman, Margaret Maitland, Fraser Martin, Naomi O'Grady, Marjorie Scammell, Dorothy J. Smeltzer, Claude H. Taylor, Barbara Treviranus, J. R. Wilson.

Librarians—Beatrice Hamilton, Jean Reid.

Austin A. Weaver, advertising manager.

Melville M. Greig, circulation and promotion manager.

Advertising Service: Reg. V. Nicholls.

Montreal: Murray R. Chipman, eastern manager.

San Francisco: Duncan A. Scott & Co., Mills Bldg., Sutter 1393.

Los Angeles: Duncan A. Scott & Co., 448 South Hill St., Mich. 0921.

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Authorized as second-class mail, Post Office Department, Ottawa.

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CORPORATION SERVICE. A. C. Bowman, manager. $70 monthly. Special rate for selected part service.
BUSINESS YEAR BOOK. Yearly $2.
SURVEY OF CORPORATE SECURITIES. Yearly $2.
SURVEY OF MINES. Yearly $2.
SURVEY OF OILS, $1.
DIRECTORY OF DIRECTORS AND OFFICIALS, Price $8.

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HORACE T. HUNTER, President
FLOYD S. CHALMERS, Executive Vice-President
THOMAS H. HOWSE, Vice-President and Treasurer

MACLEAN-HUNTER Publications:

NATIONAL MAGAZINES: Maclean's Magazine, Chatelaine, Mayfair, Canadian Homes and Gardens.

BUSINESS NEWSPAPERS: The Financial Post, Canadian Advertising, Canadian Machinery, Modern Power, Canadian Printer and Publisher, Industrial Progress, Canadian Shipping, Canadian Automotive Trade, Canadian Aviation, Bus and Truck Transport, Hardware and Metal, Canadian Grocer, Drug Merchandising, Canadian Bookseller, Canadian Stationer, Canadian Paint and Varnish Magazine, Painting and Decorating Contractor, Le Prix Courant, General Merchant, L'Epicier, Sanitary Engineer, Canadian Hotel Review, Plant Administration, Style, Men's Wear Merchandising and five business publications in the United States and Great Britain.

OTHER SERVICES: The Financial Post Corporation Service, Canadian Press Clipping Service.

Other MACLEAN-HUNTER offices:

MONTREAL Centre 2: Dominion Square Bldg., Marquette 3381. NEW YORK 18: 522 Fifth Ave., Murray Hill 2-7888. CHICAGO 6: 309 West Jackson Blvd., Harrison 7890. LONDON: Maclean-Hunter Limited, British Columbia House, 1, Regent Street, S.W.1, Cable, Atabek.

Oct. 5, 1946

THE FINANCIAL POST	AUG.	JULY	JUNE	MAY	Year Ago
•PRODUCTION INDEX (1)	....	....	186.4	190.1	....
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	207.6	253.0	262.3	265.7	183.3
Dom. total expend.	184.9	190.0	249.3	243.1	377.5
MERCHANDISING					
Dept. store sales index no. (1)	....	159.7	191.6	208.8	133.2
Retail sales index (no.)	....	195.5	216.0	216.9	170.5
Wholesale sales index no.	....	249.3	241.0	259.8	203.7
Country store (% change pr. yr.)	....	+14.7	+10.0	+17.2	....
FINANCE					
Dividend payment index (5)	....	146.9	144.9	143.2	140.0
Bank debits (1)	....	....	190.2	206.4	206.3
Bank deposits index (1)	....	....	....	253.1	223.6
Money supply (millions $)	....	....	6,975	7,106	6,651
NEWSPRINT CAPACITY					
Production ratio	99.1	99.2	96.5	96.3	76.4
Shipment ratio	95.4	101.3	93.2	98.2	80.9
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) index	188.1	187.9	193.7	186.3	191.1
Cars (D.B.S. index	146.7	150.7	141.3	146.4	141.5
COST OF LIVING					
D.B.S. index	125.6	125.1	123.6	122.0	120.5
EMPLOYMENT INDEX, D.B.S.					
All industries	....	173.5	169.9	169.3	175.5
Manufacturing	....	187.2	184.6	186.2	207.2
Payrolls (June 1/41=100) (2)	....	142.2	137.0	138.0	143.9

			Jan. 1 to date		Change
RAILWAYS—(000's omitted)	1946	1945	1946	1945	%
•Carloadings (week Sept. 21)	80.7	73.5	2,592.3	2,616.4	—0.9
•C.P.R. gross rev. (Sept. 21)	6,196	6,174	200,845	222,487	—10.9
•C.N.R. gross rev. (Aug.)	35,088	38,168	255,690	291,882	—12.4
•C.N.R. net rev. (Aug.)	2,741	8,112	27,891	56,594	—50.7
•C.P.R. gross revenue (Aug.)	25,217	26,792	188,728	210,499	—10.4
•C.P.R. net revenue (Aug.)	720	816	10,172	21,932	—53.6
IRON AND STEEL (000's omitted) (July)					
•Pig iron production (tons)	64.5	150.4	9940.5	1,092.4	—13.9
•Steel production (tons)	135.9	229.2	1,585.6	1,824.8	—13.1
CONSTRUCTION (000's omitted)					
Contracts awarded (Aug.) $	50,414	41,031	460,692	267,276	+72.3
Building permits (Aug.) $	25,759	34,084	267,362	123,889	+115.9
•Cement prod., bbls. (July)	1,352.4	1,160.1	6,538.1	4,328.4	+51.5
AGRICULTURE (000's omitted)					
Flour prod., bbls. (July)	2,164	1,822	26,436	24,676	+7.1
Flour exp., bbls. (Aug.)	1,977	1,106	10,672	9,746	+9.5
Wheat exp., bush. (Aug.)	8,442	43,095	101,445	191,774	—47.1
Cattle sales (Aug.) (4)	177.6	156.2	1,042.8	1,073.6	—2.9
Hog sales (Aug.) (4)	210.7	338.7	2,963.8	4,072.7	—27.2
SEA FISHERIES (000's omitted)					
Catch, cwt. (July)	1,646	1,599	5,723	6,110	—6.3
Landed value (July) $	7,742	8,175	17,190	27,961	—38.6
NEWSPRINT (000's omitted)					
Production (Aug.)	371	287	2,731	2,102	+29.9
Exports, tons (Aug.)	357	304	2,681	2,090	+28.3
MINING AND OILS (000's omitted)					
•Coal prod., tons (July)	1,153	1,092	10,204	9,558	+6.8
Gold rec. (fine oz.) (May)	223	222	1,180	1,083	+8.9
•Petroleum prod. (brl.) (July)	634.7	696.7	4,505.1	5,218.5	—13.7
ELECTRICAL POWER OUTPUT (000,000 omitted) (July)					
Total monthly kw.h.	3,423	3,281	24,109	23,949	+0.6
FOREIGN TRADE (millions of $)					
Imports (July)	161.6	138.7	1,041.5	937.4	+10.9
•Exports (Aug.)	242.7	295.0	1,494.2	2,290.8	—34.4
FINANCE (millions of $)					
Bank debits (May)	6,116	6,894	28,896	26,582	+8.8
•Bond sales (Aug.)	167.0	212.5	3,129.3	4,246.7	—26.3
•Life insurance sales (Aug.)	86.1	49.6	780.7	423.2	+84.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr., (July)	3.0	2.7	25.5	21.9	+16.4
•Cigarette cons. (no.) (Aug.)	1,362	1,179	9,492	9,159	+3.6

(1) Base period 1935-39=100.
(2) All industries.
•New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Milk Price Up, Subsidy Off Taxpayer Saves, as Result

If you're an income tax payer, don't beef too loudly about the rise in the price of milk. It's saving you money.

The amount of the saving will vary from person to person, but the odds are that you're getting your milk at least two cents a quart cheaper than you were a year ago.

In 1945, taxpayers were handing out just under 3½ cents on every quart bottle of fluid milk. This was in the form of two subsidies, one a straight two cents a quart, the other at 55 cents per 100 lb., which worked out to a shade less than 1½ cents a quart—total, 3½ cents.

BUT—less than half the people earning money in this country pay income taxes, so that the income tax payer is always giving a free ride to at least one nontaxpayer. That means that the taxpayer has been paying his own 3½-cent subsidy and the 3½ cents for the nonpaying people—total, 7 cents a quart.

So if the price of milk has gone up 5 cents a quart in your district, you're two cents a quart in pocket —providing you pay income taxes.

You won't get the benefit, of course, until next year, when income tax reductions become effective. And the two cent a quart benefit is strictly an average. Income taxes are graduated, and the taxpayers at the bottom of the list barely carry themselves, while those at the top carry more than their share.

And income taxes don't provide all the government's money. Tariffs, excise, the taxes on corporation income and loans provide the rest of the money and it's impossible to trace the individual's share of these loads. Still, income tax payers carry at least their fair share of these other burdens, and they are the ones that pay for the handouts.

In case you are alarmed by what some say the subsidy removal will do to the diets of poor children, remember that as a taxpayer you are giving at least $5 a month to almost every child in Canada via family allowances. Five dollars will meet the increased c[illegible] on 100 quarts of milk. Doctors say that all the child needs is a pint and a half a d[illegible]

For Sale

The ability to create and the facilities to produce effective advertising in all media.

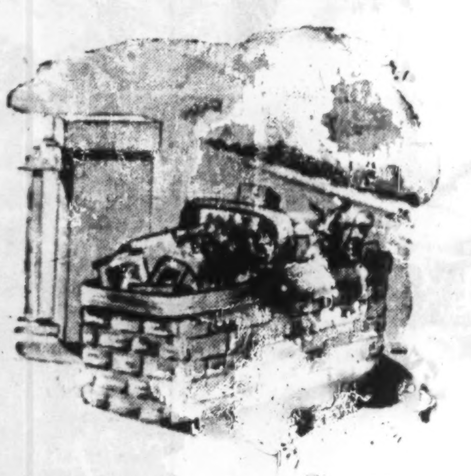
Inquiries invited from those having authority to make decisions.

Thornton Purkis

ADVERTISING COUNSELLOR

[illegible] ST. TORONTO

ADELAIDE 5762



★

FOOD

for thought!

It takes a big shopping bask[illegible] requirements. In terms of [illegible] food st[illegible] up sales of over $106,[illegible]

A considerable grocery bill in any man's market!*

To emphasize this fact still more, retail grocery advertisers last year allotted more space to Montreal's daily newspapers than to those in any other Canadian city. . . .

And, for the first six months of the current year, ONE newspaper—the Montreal Star—led *all* Canadian dailies in total retail grocery linage.**

Need we say more to show why the Star does such a consistent job for grocery advertisers? In fact, a trip through Media Records will show you that the Star is getting results for practically every class of advertiser—large and small.

* DOMINION CENSUS
** MEDIA RECORDS

The Montreal Daily Star.
"Canada's Greatest Newspaper"

D. A. HANSON

a past president of the Montreal Board of Trade, has been elected President of the Canadian Federation of Insurance Agents.

'V-8' Cocktails From Chatham

From Our Own Correspondent

CHATHAM, ONT. — During its first year of operation (1947) Standard Brands proposed $500,000 Chatham plant is expected to produce 250,000 cases of "V-8" cocktail, half for domestic consumption, half for export.

Plans for immediate erection of the factory which will eventually employ 300 persons and need 5,000 tons of tomatoes annually, have been announced by William L. Cunliffe, president of Standard Brands.

The new plant, to be built on a 14½-acre site on the city's western limits, will be devoted initially to the manufacture of V-8 cocktail—a combination of eight vegetable juices; with tomato as the base. Extension of operations of the cocktail plant and establishment of other plants are "quite likely," Mr. Cunliffe said.

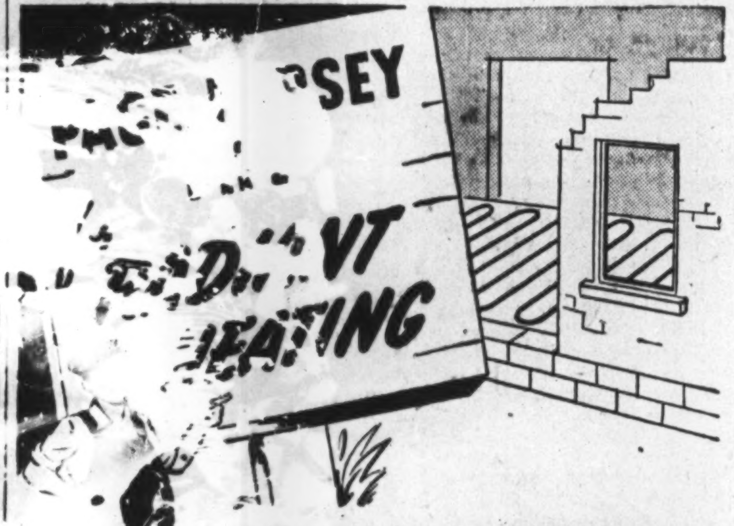
The one-story, extended structure covering 28,000 sq. ft. will be built by Anglin Norcross of Toronto. It will be managed by J. R. Cochran, now manager of Standard Brands' plant at Napoleon, Ohio.

Production schedule calls for the plant to be ready in time for the 1947 tomato season. Discussions have already been held between Standard Brands and the Ontario Tomato Growers marketing board and the Kent Federation of Agriculture in connection with crop contracting and prices.

Standard Brands, seventh largest corporation on the North American continent, has 30 plants in the United States. Canadian branches are at Montreal, Toronto, Winnipeg, Guelph, Ingersoll and Calgary.

Candn. Johns-Manville To Make Asbestos Pipe

Plans for the new Canadian Johns-Manville plant under construction at Port Union, Ont., 16 miles east of Toronto, have been expanded to include manufacture of "Transite" asbestos cement pipe —made from asbestos fibre and cement for water supply, drains, sewers and industrial use. It has been made by Johns-Manville in United States for many years but not by the Canadian company. Original plans for Port Union called for production of rock wool insulation only. A 75,000-sq. ft. concrete slab will be built for pipe storage. Builder is Foundation Co. Ontario; architects, Parrott, Tambling & Witmer, Toronto.



[illegible] be specified with confidence by ARCHITECTS and ENGINEERS

[illegible] necessary to stress the importance of using [illegible] in such installations as Radiant Heating. [illegible] scale free, Page-Hersey Continuous Weld [illegible] superior physical qualities, makes it especially adaptable. The automatic roll, pressure system by which Continuous Weld Pipe is formed gives the weld a uniformity and strength unattainable in former methods of manufacture. This process also provides superior ductility for bending as well as for more dependable welding. These are proven facts, gained after continued study; facts known to the profession of Architects and Heating Engineers.

Send For This FREE Manual

This manual covers the most recent information on the application of Radiant Heating in all types of buildings. Detailed and illustrated, Mailed on request.

PAGE-HERSEY TUBES LIMITED
100 Church St., Toronto

For Years of Satisfaction with Radiant Heating : : : Specify

PAGE-HERSEY
CONTINUOUS WELD PIPE
LARGEST MANUFACTURERS OF STEEL AND GENUINE WROUGHT IRON PIPE IN CANADA

PH-280

RADIANT HEATING
For Years of Comfort

$3 Million Vancouver Building Job Means New Community of 542 Homes

VANCOUVER — A $3 million housing scheme termed by its builder the biggest ever undertaken under the National Housing Act — and a $1.5 million crude oil "cracking" plant being constructed by Shell Oil Company of British Columbia, this week led Greater Vancouver's unprecedented building boom, which is moving ahead with increasing tempo as the fourth quarter of 1946 opens.

New homes, schools, theatres, university buildings and industrial plants are being built, despite material shortages, which somehow are being surmounted. If construction continues at its present rate for a year or two, citizens who become callous to the natural scenery surrounding them will find many man-made improvements to occupy their curiosity; and tourists will need new guide books if they have missed a summer or two away from the Pacific coast.

115-acre Site

Biggest single project went into the construction stage a fortnight ago. Claude E. Whitsell, president of Whitsell Construction Co., Vancouver, took the wraps off his $3 million project in North Burnaby, which when finished early 1949 will provide a new community with 542 homes, parks, shopping centres and theatre, in a big tract of vacant land in northeastern Vancouver.

Preconstruction negotiations took several months. First, the Willingdon Heights Co. was formed to handle the project. Then 115 acres was acquired from North Burnaby municipality for $62,000. The land was subdivided into lots 49 by 122 feet each. The company agreed to put in roads and watermains for the new community and provide septic tanks until sewers can be laid.

$3,850 to $5,850

The new homes are for sale—not for rental. They will range in value from $3,850 each for four rooms, to $5,850 for seven rooms, with five and six-room dwellings priced at figures in between.

Through arrangements completed with the Sun Life Assurance Co., Mr. Whitsell disclosed, down payments have been set ranging from $700 to $925 on each house. Homeseekers are watching the experiment hopefully, and construction men are regarding it as a major attempt to provide medium-cost housing on a big scale through private enterprise.

Some of the units will have basements; others will be equipped with thermostatically controlled oil-heating plants. Foundations have been laid for the first 48 homes.

Completing Shell Unit

Industrial construction spotlight in Vancouver this week focused on Shell Oil Co.'s new petroleum cracking plant at its Shellburne refinery, on Burrard Inlet, also in North Burnaby. Now in advanced stages of construction, this $1.5 million addition to the refinery will be in operation in November, G. L. Gardiner, refinery manager, informed The Financial Post. Some time in December, new "outstanding" motor gasoline will go into Shell's B.C. retail outlets, and motorists will get motor fuel embodying high-octane elements produced in the new plant for the first time.

To Control Extracts

Present process of distillation, Mr. Gardiner said, doesn't permit flexible control over the quantities of products extracted from the California crude, which is brought here by chartered tanker. The new plant addition, however, embodies "cracking" processes by which engineers can alter the quantities of auto gasoline, kerosene, Diesel oil, and so on, which is obtained from the crude. Thus, said Mr. Gardiner, Shell of B. C. can adjust its production schedules to meet varying demands by motorists, Diesel equipment operators, homeowners, etc.

Among spectacular features of the new plant are oil-burning furnaces capable of producing temperatures up to 800 degrees F. There is also a polymerization unit, which "cracks" out high octane elements (as high as 100-octane) from parts of the oil which are drawn off the main body of crude during the distilling process.

Stock Exchange Job

Other major construction jobs which got under way in Vancouver in September's accelerated building boom here included:

A $91,000 school on Sea Island, across the Fraser from Vancouver's suburban Marpole, and site of the municipal airport. Richmond School Board is building it.

A block of new shops in North Vancouver, valued at $20,000, for R. F. McNaughton. (Marwell Construction Co., contractor).

A $40,000 "face-lifting" job in the Vancouver Stock Exchange. C. B. K. Van Norman, one of Canada's best known architects, designed the alterations, with B. C. Bridge and Dredge Co. as contractor.

A $40,000 auto court on Vancouver's Kingsway, main approach to the city from the south and east, being built by M. S. Wawryk.

City of Vancouver's $44,648 ornamental street lighting program, which will introduce new better-illuminating overhead street lights into hitherto poorly lighted sections of the city.

St. Paul's Hospital, a $289,500 addition to nurses' quarters.

University of British Columbia, a $500,000 physics building and $500,000 addition to library.

Marshall Wells Ltd. is completing a $450,000 warehouse, beginning of a major reconstruction project which will clear out ancient slums from a section of Vancouver's Chinatown.

Manitoba Voting On New Hospitals

From Our Own Correspondent

WINNIPEG—Five hundred new hospital beds are in prospect in Manitoba, if voters in nine municipalities vote in favor of municipal hospital projects being submitted to them this month and next.

Each hospital built would function as a unit in the Government Health Services Plan. Estimated average cost is $125,000. Each will also be equipped with X-ray and diagnostic facilities which will be provided under the government plan.

Shortage of nursing staff and medical personnel is holding up extension of the province's health service plan. The ratio of doctors to population in Greater Winnipeg is one per 1,000. In smaller urban centres outside Winnipeg it drops to one in 3,000, and in the strictly rural parts it is one to 4,000. Nurses are practically unobtainable outside large centres.

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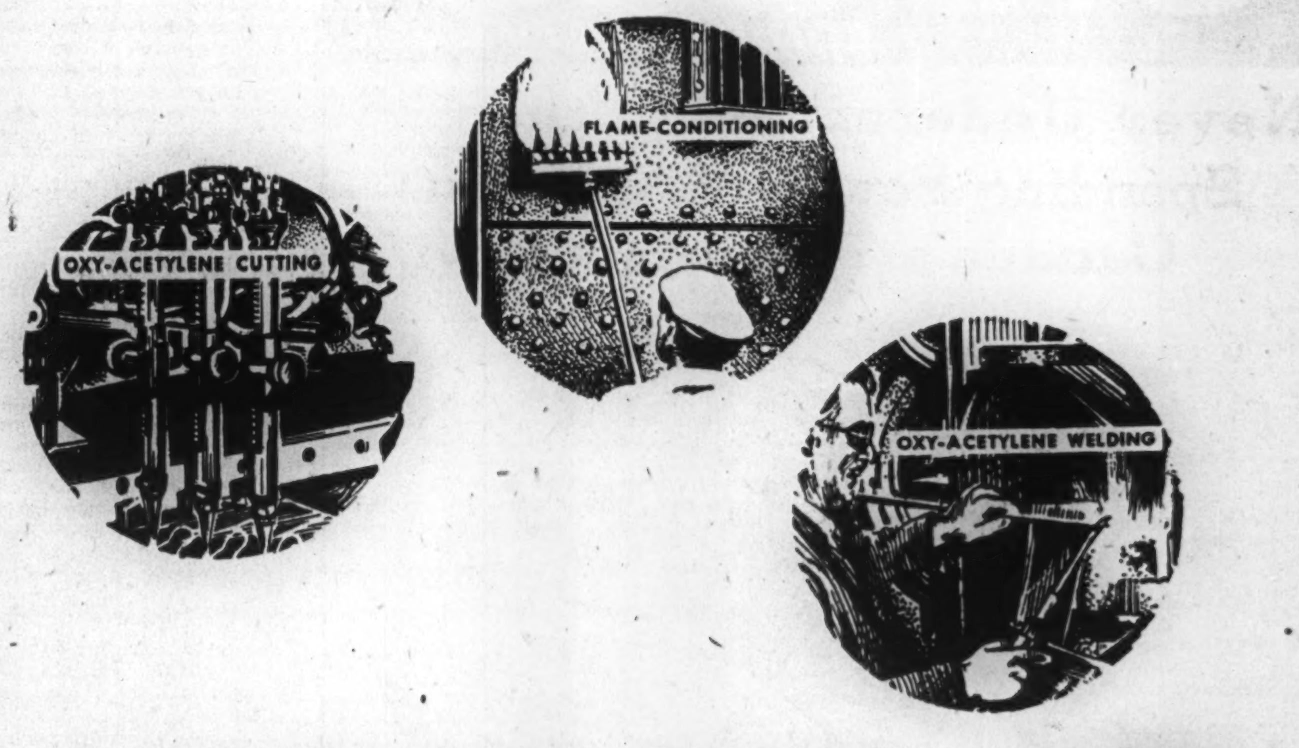

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WHAT'S NEW IN BUSINESS

Washing With Petroleum

A cleansing compound of high efficiency derived from a basic ingredient of petroleum origin is the latest trick of petroleum chemistry. Industrial uses are seen in cleaning dairy and food processing equipment and containers and general plant sanitation, various applications in leather, textile, pulp and paper manufacture, ore processing as a flotation medium, and in insecticides and weed killers to improve wetting and spreading qualities. In the household it is said suitable for laundering, dishwashing and general cleansing. Production on a commercial scale has begun in the United States.

* * *

First "Q" Floor

In a new Canadian General Electric building going up at Hamilton, Ont., a method of floor construction believed new to Canada will be used. Cellular steel subfloors will underly an office portion. Known as "Q" floors—"Q" for quick-in, quick-change—they consist of a series of parallel steel cells spaced about six inches apart, the whole forming a strong, lightweight platform which acts as structural support for floor surface. Hollow cells of this floor will be utilized as raceways for electric wires, a distribution method facilitating any later changes in wiring layout.

* * *

Tougher Intercom Units

New to Canada is a dust and moistureproof, metal-housed industrial type Executone intercom staff station for remote or privacy operation. Steelcased against rough treatment, the unit is built to stand up in foundries, on shipping and receiving platforms other exposed locations; and is insulated for exposure to moisture in laundries and refrigerated rooms. Designed for rigid mounting on wall or partition, the unit is 6 in. wide, 6 in. high and 3 in. deep. It can be wired directly to any standard Executone central control master station.

* * *

The BarcaLoafer

The BarcaLoafer is a chair "scientifically designed for complete relaxation." Its collapsible tubular steel frame, finished in white enamel, adjusts itself automatically to any desired angle merely by shifting the weight of the body. It locks in any position from full reclining to upright. Spring supported cushions are finished in weatherproof, blue, green or red Durain plastic fabric. Besides being ideal around the terrace or in a sunny spot beside the swimming pool, the BarcaLoafers seem to have special applications for convalescent and therapeutical uses in hospitals.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

* * *

Fuel Oil Conditioner

Liquid Kleen-Flo is now available in Canada, a chemical preparation for improving combustion in fuel oil. The oil conditioner claims to increase capacity and efficiency of present oil burning equipment while keeping maintenance and fuel costs at a minimum. It improves combustion by a catalytic effect on the oil fire and eliminates sludge contamination. The compound is recommended for all grades of fuel oil, one pint per 250 gals.

* * *

Air Conditioning Oil Unit

A new Timken air conditioning oil furnace is now on the market. Built around the wall flame oil burner, it has a multi-vane, double inlet blower. Timken claims that its scientific radiator extracts maximum heat and eliminates large flat areas which make for contraction and expansion noise. A large pan type humidifier in the centre of the air stream adds moisture, and permanent copper mesh filters remove dust particles.

* * *

New Night Latches

No one but a master locksmith can pick the new lock developed by Yale & Towne with "mushroom drivers" in the pintumbler cylinders, according to the company. Also in a new line of six night latches, is a lock with a "stop" button (replacing a similar but clumsier development), which makes the locking mechanism inoperative at a single push. Most radical of the series is a one-arm spring latch. This mechanism can be unlocked, the key withdrawn and the door-knob turned with one hand. The new line is to go on sale nationally next month.

* * *

Sand & Gravel Plant

To provide economical sand and gravel preparation on sizeable construction or paving jobs, a standardized, demountable plant is just announced in Canada. Dismantling and re-assembling the new plant's belt conveyer, scrubber, crusher, double-deck vibrating screens, sand de-watering screw conveyer, and power units, is a comparatively easy task. To facilitate moving, the belt conveyers are mounted on steel frames made up in 20 ft. sections with legs bolted on. Scrubber can be lifted from trunnions as a unit with the frame and drive, and the trunnions and other units can be similarly removed.

* * *

Steel Processing Economies

A strip chart electronic potentiometer, built for steel mills on 25-cycle power, is believed to promise new steel processing economies. Accuracy, dependability and freedom from vibration, inherent in the electronic form of temperature measurement, are among the manufacturer's claims. The new device eliminates the former need for frequency converters on previous electronic potentiometers used with 25-cycle current. Standard speed, single and multiple models are available now, and faster models are under development.

* * *

Ektachrome Film

Eastman Kodak Co., Rochester, annouced a new color film at the 55th annual convention of the Photographers' Association of America recently. The big advantage of the new film is that it can be developed in as little as 19 minutes on the photographer's own premises, whereas the former Kodachrome usually had to be sent out for processing, and took a minimum of 24 hours. While the new film will cost only about 75% of the present price of Kodachrome, the cost of developers and handling will probably boost the final price above Kodachrome. Canadian Kodak Co. says that Ektachrome will be available here once United States demand is met and supplies of film and processing materials can be obtained in Canada. No Canadian price has yet been fixed.

* * *

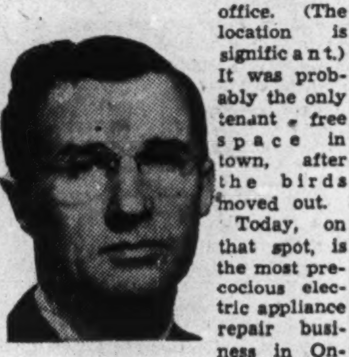
Tinsmith's Clip Punch

Reiner & Campbell Co. claims its new clip punch to be adaptable and efficient in fastening slips or any other seams or laps of metal on sheet metal duct work. It will operate as quickly as a button punch, and will put a half-moon punch through three thicknesses of 18-gauge. No hammering or flattening is necessary when fastening slips to duct work with this tool. The clip punch is steel, with a 1 in. depth of throat, weighs 6½ lb., and measures 27 in. in length.

Enterprise at Work

Does Electric Repairs In Former Birds' Roost

Making toast in a former roost for rare birds on the second floor of an old garage in downtown Toronto may not sound like a commercial proposition, but it's all part of the story of Jackson Electric Service Co. And a fast-moving, business-building story it is, as told by slight and friendly Reg. Jackson with his faintly English accent.



MR. JACKSON

Nine months ago there was a deserted but not exactly clean aviary on the top floor of a one-time garage at 150 Pearl St., a commercial lane just around the corner from Canadian General Electric's head office. (The location is significant.) It was probably the only tenant free space in town, after the birds moved out.

Today, on that spot, is the most precocious electric appliance repair business in Ontario, perhaps in Canada. There are 11 names on the payroll, nine men at workbenches, testing apparatus and stockroom upstairs where the birds used to bill and coo, and two girls in a tiny downstairs office which Jackson has managed to squeeze in beside the stairway. Overseeing the whole show from his three-walled cubbyhole is Jackson, a man not above sweeping the floor or pushing packing cases around if the occasion calls for it.

Lebensraum Wanted

Jackson Electric, a lusty youngster literally bursting out of its swaddling clothes, opened for business last March 1, and is already on the lookout for more growing room. Ma-Major accounts on the books have been directed there by Canadian General Electric, Toastmaster, and Samson-United of Canada Ltd., and include big entries from Kresge's, Woolworth's and The T. Eaton Co. Ltd. Job ticket numbers showed 4,279 units through the shop the other day when The Financial Post looked in—there may be another hundred or two by this time.

And where does the toast come in? Well, Jackson is so sure of his workmanship, so anxious to show his customers that he'll do the right thing by them, that he'll actually make toast in a repaired toaster on the work bench if they have any doubts about its guaranteed perfection. He has done it.

Today, approximately 25% of Jackson's business is in sales of spare parts, and he also does a sizeable bit of repairing for individuals with out-of-order electric irons, fans, percolators, heating pads, clocks, etc. The aim now is to put increasing emphasis on special service for the likes of CGE, Samson-United and Toastmaster.

Look At Auto Companies

Big manufacturers tell The Post it is wrong in principle for a major producer to have to maintain its own repair service department for household appliances. Wrong in principle, and expensive and bothersome besides.

"You don't see big automobile companies having their customers drive back to the plant for service," said one manufacturer. "We would have a similar setup with dependable men, like Jackson, across the country to keep the users of our lines satisfied. That's a common practice in the appliance industry in the States."

This idea of divorcing the appliance maker from the specialized business of keeping his products in repair is not accepted unanimously across the industry in Canada. Some believe that although a service department is no direct money-maker, it should be maintained as a builder of goodwill; its losses, if any, written off against advertising. Enough manufacturers subscribe to the separate philosophy, however, to promise Jackson and his associates a prosperous future.

Higher Prices Paid

Making a profitable business of an operation that was formerly run by manufacturers simply to keep their customers happy, does involve some service price adjustments, Jackson points out. The price of parts, is of course, fixed, but shop overhead and the need for something more than simply breaking even on the ledger makes charges for repairs slightly higher than similar service by a manufacturer.

Over against the extra charge, Jackson stresses rapid service—all in one day when superspeed is called for — and factory guarantee. Jackson service and workmanship have been enough to bring Toastmaster units from as far afield as Victoria, B.C., for overhaul; and work for a Montreal dealer is a daily occurrence, even with shipping charges extra.

Need for such a business was pointed out to Jackson when he was shopping for ideas last fall. The young electrical engineer had just left the president's chair at Canadian Elevator Equipment Co. In eight years as general manager, four as president of that firm, he had run up a notable production record, mushroomed the company from half a dozen to 325 employees on gun-contracts for the U. S. Government. Out of a luncheon conversation with a manufacturer of appliances sprouted the Jackson Electric Service Co. And out of subsequent conversations, the personable new proprietor gathered an exclusive Ontario-wide service contract with Toastmaster and Samson-United, and a close tie-in with CGE. These first big names promise to be influential godfathers for the new-born business.

CGE Alumni

Before heading Canadian Elevator Equipment, Jackson had been eight years with Canadian General Electric. He joined the company immediately upon his arrival from England where he had put in a seven-year apprenticeship with Crompton-Parkinson of Chelmsford.

On top of his eight years' experience with them, Jackson got from CGE his new service manager and general righthand man, Fred Wetmore. Young and ambitious, Wetmore moved over from a sectional supervisor's post in the CGE service department. He dug in with Jackson last January in the days when there was more birdseed than electricians' paraphernalia about the premises. Around this core of CGE alumni, Jackson has built his staff. His nine repairmen are all young, all war veterans. His formula for keeping them happy and busy is simple: "I pay them just a little more than they could get for the same type of work elsewhere in the city."

New Service Planned

Today, as Jackson and Wetmore rub elbows in their electricians' loft, they're talking about bigger premises and next year when they will have a truck on the road. Far from being satisfied with their three major accounts and as much direct dealer work as they can handle, the two have their heads together on a new development. As soon as they can put an adequately equipped truck on the road, Jackson Electric Service will announce special fare for restaurants.

Their mobile restaurant service will take repairmen to do emergency on-the-spot jobs on big equipment, to lend substitute equipment while smaller units are rushed back to the shop for thorough going-over. At least one big restaurant chain is asking for the proposed service already.

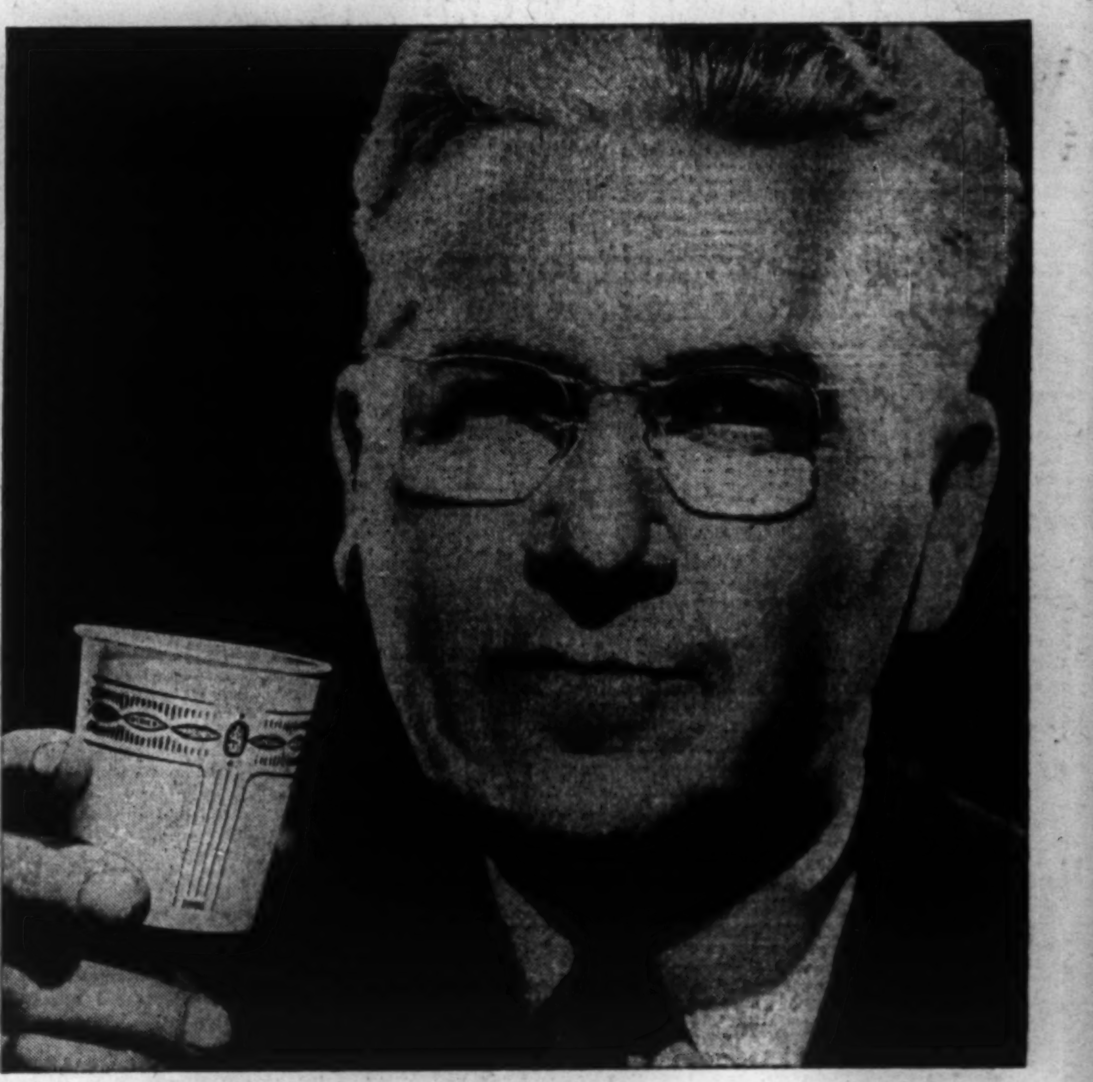
Ont. Beauty Firm Profit Rises 42%

Six months net profit of Ontario Beauty Supply Co., Hamilton, showed a 42% gain over the first half of 1945. Net profit, after taxes, was $23,981 ($16,845, including refundable excess profits tax for same period last year).

Net sales were up 16% over a year before. Sales and earnings for the second half of the year are normally somewhat lower than for the first half, but management anticipates that year's totals will be well in excess of 1945.

Except for some temporary shortages of items due to lack of bottles, supply situation is generally improved over last year. Deliveries of beauty equipment are improving, and are expected to continue so.

Net earnings for the six-month period equal 12c. a share on the outstanding common and participating preferred shares, after provision for the full year's dividend of $1 a share on the preferred.



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The Free Press Weekly is an active force in directing the Western Canadian rural housewife's buying, whether it be for farm or family. Every week this favorite Farm Publication is read eagerly and thoroughly from news and general sections to the feature departments on food and fashions, home and family matters. Each issue of the Free Press Weekly is designed and edited for the particular interests of rural people.

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Who Gets Cream in Milk Business Consumers Ask as Subsidy Removed

(Continued from page 1)

price would not be legal until Oct. 5 when the next edition of the Gazette appears.

Ontario: New price, 16c.; increase, 2c. a qt. or $3.45 a cwt. to producers, an increase of $1. This means a net gain of 45c., the other 55c. replacing the withdrawn government subsidy. Price increase asked by producers, $1.20 cwt. Public objection, led by Mayor Robert Saunders of Toronto resulted in decision of the Ontario Supreme Court to conduct an immediate enquiry into the "production, processing, distribution, transporting and marketing of milk, as well as the prices at which it should be sold."

In a statement accompanying the announcement, Premier Drew said: "The Government is of the opinion that the board (Ontario Milk Board) is not empowered to make the order which it did purport to make under Section 4 of the Act." Pending receipt of the Royal Commission report, there will be no interference with the Board's order and the increase went into effect Oct. 1 as scheduled.

It has been estimated the 3c. increase will add $4 millions to the milk bill of Toronto alone.

Manitoba: New price, 14c. delivered; 13c. cash and carry. Increase, 1½c. Except for the consumer who has to assume the shifted load, no one in the industry was affected by removal of the subsidy. Producers are now getting $3.10 a cwt. for quota milk and $2.65 for what is termed secondary milk. Through the Winnipeg District Producers' Co-operative Association, representing 70% of the 1,100 shippers in Greater Winnipeg, producers are asking $3.70 for quota milk and $3.20 for secondary grade.

Milk consumption in Winnipeg is nearly double pre-war volume, running close to 10 million lb. in August. The 1½c. increase means about $1,900 a day more to consumers. Hon. D. L. Campbell, Minister of Agriculture, answering public outcry against the increase declared: "It was not possible to cut the price to producers when the subsidy was cut off without seriously endangering sources of supply. The problem now is to hold prices at their present level."

Saskatchewan: New price, 14c. delivered; increase, 2c. At the Regina hearing of the Saskatchewan Milk Board, producers asked for an increase of 20c. per cwt. in addition to the 55c. to make up for the loss of the Federal subsidy. They were granted 13c. or 68c. altogether, raising the price per 100 lb. to $3.08.

Members of the CCF Government strongly condemned the Federal Government for cancelling subsidies. Agricultural Minister I. C. Nollet said the province is in no position to carry the added burden of milk subsidy payments. He said Saskatchewan has been getting about $200,000 in subsidies on milk. He predicted a reduction in milk consumption as a result of the increased cost, adding that it was "quite apparent that the decision of the House of Commons favoring continued milk subsidies has been rudely ignored and brushed aside as meaningless to a Government bent on a policy of again reverting to pinch-penny economy."

Premier Douglas will take up the matter in the next two weeks when he goes to Ottawa with Provincial Treasurer C. M. Fines. He said the province had already officially protested cancellation of subsidies.

Alberta: New price, 14c.; increase 2c. Producers granted 75c. increase a cwt., or 20c. over and above the 55c. subsidy. Increase asked, 80c. in Edmonton and Calgary, 85c. in Lethbridge. Premier Manning expressed disappointment at the Federal action and subsequent rise in the cost-of-living. He said: "We feel the Dominion Government should have avoided this situation by continuing the subsidy for at least another year."

At the hearing of the Public Utilities Commission which granted the increase, C. J. D. McBain, supervisor of dairy farm accounts for the provincial department of agriculture, said the cost of producing milk had jumped from $1.70 per 100 lb. in 1941 to $2.93 in 1946.

British Columbia: New price, Vancouver, 14c. for standard, 16c. for premium; Victoria, 15c. standard, 17c. premium. Increase, 2c.. In addition to granting the increase, Milk Commissioner E. C. Carr, in a series of drastic orders, struck at "sharp practices" to get business by banning "donations" to consumers, discounts to janitors and apartment house owners. Beginning next January, he ruled, milk sales must be on a strictly cash basis and deliveries restricted to one day.

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See Canadian Bacon Output Higher In '46

OTTAWA (Staff) — Despite the present high price for sows, bacon experts who have recently visited western Canada are convinced that the decline in bacon production has now been halted and that Canada's output of high-quality bacon in 1947 will exceed that of 1946.

Western farmers are currently selling sows because of the very high prices they will fetch; but the view here is that these sales are not nearly as great as might be expected. In Calgary, for example, sows are selling for 20 cents per 100 pounds as against 20¾ cents for grade A hogs. This means a 500-lb. sow now brings the price of two grade A hogs, plus $15.

Biggest factor in stemming the drop in hog production is the big crop of grain in the Prairies — much of it not above feed grade. With this good news behind them, demand for breeding stock is said to be the highest in 10 years.

To date, Canadian 1946 export clearances of bacon for Britain have totalled close to 220 million lb. This represents approximate clearances for the first three quarters of the year. Estimated clearances for the final quarter are now put at about 85 millions lb., depending on how much is held over in storage to enable shipments to be leveled out in the first quarter of 1947. A most important feature of 1946 shipments has been the way these have been levelled, as compared with ups and downs of earlier years. Quarterly shipments to date have been as follows: 1st: 77.8 million lb.; 2nd: 77.9 millions; 3rd: 65 millions.

Added to this, the time-lag for handling Canadian bacon has been cut almost in half since the war. Present lag is only about a month and a half, instead of three months. Canadian bacon is also much better than pre-war quality.

New Oat Strain Defies All Known Rust Species

From Our Own Correspondent

WINNIPEG—Plant breeders at the Dominion Rust Laboratory in Winnipeg have announced victory in a 14-year battle which may drop millions into pockets of Canadian farmers.

A new variety of oats, resistant to all known types of stem and crown rust, has been produced and nurtured until there are now 1,500 bushels in supply, which next spring will be distributed to selected growers.

The new variety hasn't yet been named. Its development started in 1932 when the Dominion Department of Agriculture got from the United States Department of Agriculture, the seed of a South American variety known as Victorian. Plants of it were crossed with a strain of Vanguard oats, resistant to known types of rust at the time it was distributed.

Over the years the breeding work and plant selections were done by J. N. Welsh in the Winnipeg laboratory, in collaboration with Dr. Thorvaldur Johnson, specialist on stem rust, Prof. B. Peturson on leaf rust, and William Popp, whose special job was to conquer smut.

Last summer, at a convention of agronomists in Winnipeg a warning was sounded that new kinds of rust were probably developing and that types of grains now rust resistant, might not prove resistant to other rusts, not yet prevalent. The new variety of oats has proved its resistance to every type known . . . the first to stand up to this test.

Its originators are not yet too sure of its yielding qualities. It is a medium maturing strain and should produce, they say, on a scale equal to that of Vanguard, one of its parents.

Farm Strike Petering Out Compromise Now Sought

From Our Own Correspondent

SASKATOON — Contrary to claims of the Alberta Farmers' Union that support of their nondelivery strike is growing, indications are that the peak impact has been passed and the strike is now petering out.

Support for this belief is seen in the departure this week of a five-man delegation representing the AFU and the United Farmers of Canada for Ottawa. They will meet with the Agricultural Prices Support Board and possibly with Agricultural Minister Gardiner, Finance Minister Ilsley and Commerce Minister MacKinnon.

It is felt here that strike leaders realize many farmer-strikers won't be able to stand the financial strain of nondelivery much longer and that some compromise must be reached before the 30-day strike limit ends Oct. 6. At that time, the strikers will vote on further action.

Frank Eliason, secretary of the Saskatchewan section of the United Farmers, hinted that compromise was the object of the delegation when he said that no new strike call had been issued but "if strike leaders believed farmers would have stronger bargaining power by continued nondelivery," the strike would continue. If, on the other hand, the Ottawa delegation thought it best to call off the strike, he said, farmers would be advised to that effect.

So far Saskatchewan has felt little effect of the strike. Dairy farmers are suffering the greatest loss, but there has been no major shortage in any of the larger cities. Wheat is being received by granaries and except for a single day's picketing at a Saskatoon stockyard, there has been no great strike enthusiasm in the province.

Meanwhile in Alberta, the modified attitude of leaders was believed partly due to disquieting reports that co-operatives and marketing organizations will "go under" if the strike is prolonged.

As the delegation prepared to leave for Ottawa, word was received that the first jail sentences had been imposed on farmer-pickets. Four men have been sentenced to 14 days for their part in an attempt to halt the loading of cans of cream on a train at St. Paul, 100 miles northwest of Edmonton. Four others were fined a total of $260 and costs.

At Beaver Crossing, 170 miles Northwest of Edmonton, RCMP arrested 30 striking farmers when they tried to prevent a cattle delivery.

These incidents and the lack of Dominion-wide interest in the strike, plus the absence of any real support in the West, are taken as evidence that the first farmers' strike in Canadian history is just about over.

Hear $30 Offered For Donnacona

MONTREAL (Staff) — Rumors regarding the possibility of the Stern publishing interests of Philadelphia purchasing the stock of Donnacona Paper Co. are still rampant. Latest is that the Stern interests have offered $30 per share for the common. The street is also talking about recent meetings between the U. S. publishing interests and large stockholders.

Louis W. Michael, vice-president and secretary-treasurer of Donnacona told The Financial Post this week that he knew nothing about the proposed purchase of the company's stock. The only information he had, he said, he learned from newspaper reports.

Capital stock of the present company initially comprised an authorized 200,000 shares, no par value of which 150,000 shares were issued. A majority of the issued shares was held by Price Brothers Co. Under a reorganization plan in 1932 the shares were divided into two classes "A" and "B." In 1941 a by-law adopted by the shareholders abolished the two classes and they were merged into one class of no par value common stock. Common stock outstanding as at Dec. 31, 1945, was 376,572 shares.

Apple Exports To U.K. Highest Since Pre-war

OTTAWA (Staff)—B. C. growers heaved a sigh of relief and British consumers raised a cheer last week when Agriculture Minister Gardiner announced completion of contracts for $7 to $8 millions of Canadian apples and apple products to the United Kingdom.

The new contracts give Britons the largest supply of Canadian apples since before the war. Quantities are roughly: 3,600,000 boxes of fresh apples, 60% from B. C.; 25,000 cases of N. S. canned apples and one carload (80,000 lb.) of B. C. evaporated apples. As well, contracts were announced for 3,000 tons of fruit pulp (mostly raspberries); 374,000 bushels of dried peas and 560,000 bu. of dried beans. Value of the shipments is expected to total nearly $12 millions.

Importance to B. C. growers is that because of an exceptionally heavy apple crop, failure to negotiate the U. K. contract would have meant heavy losses through lower prices, or resort to disposing of their surplus in other than fresh form. Comparative figures of the new contracts alongside shipments of recent years, follow:

Canadian Fruit Shipments to U. K.
(000 omitted)

	1946	1944	1941
Fresh Apples			
B. C. (boxes)	2,252	525	2,000
N. S. (bbls.)	450*	167	101
Ont. (bbls.)	10	....	9
Evapor. Apples (lbs.).	80	5,300	5,800
Canned Apples (cases)	250	....	....
Peas, Dried (bu.) ...	374	....	....
Beans, Dried (bu.) ...	560	443	....
Fruit Pulp (tons)	3	.800	2.8

*Estimated. The N. S. contract calls for a minimum of 300,000 bbls., plus whatever additional quantity can be supplied.

Also announced were new egg contracts for the U. K. at prices two cents a dozen higher for fall eggs and one cent higher for spring eggs. British authorities have also assured Canada that they can take almost unlimited quantities of canned tomatoes and tomato juice. Just how much of either can be spared is not yet known.

Prices at which the British bought their 1946 apples are said to be "just under" the Canadian ceiling.

Page-Hersey Tubes Buys War Plant

The Government-owned Page-Hersey plant in Welland, Ont., has been purchased by Page-Hersey Tubes Ltd. from War Assets Corp., it is announced. Land and buildings were sold for $61,274 and the machinery and equipment for $190,606.

The company's plans for use of the plant have not yet been finalized, The Financial Post is told. The plant was operated by Page-Hersey Tubes Ltd. during the war for the manufacture of boiler tubes for the Royal Canadian Navy. It was designed for the manufacture of cold drawn seamless steel boiler tubes and cold drawn mechanical tubing.

Butter, Cheese, Next in Line For Boosts, Industry Insists

OTTAWA (Staff)—Federal headaches are by no means over merely because the Government held firm to its decision not to continue the 55c. per cwt. milk bonus after Oct. 1. The dairy industry is insisting that butter prices must rise a further 18 to 20 cents a pound; cheese prices 11 cents a pound at wholesale; concentrated milk products $1 a case. The dairy industry contention for fluid milk was for an increase of about $1.50 per cwt. Assuming prices are to rise in many centres by a full three cents a quart, this would represent two thirds of the amount asked by the dairying industry representatives.

The dairying industry figures are said to have been based on cost figures produced by an economist named Hanson. If accepted, they indicate that butter, in Canada, should be selling at about 75 cents a pound retail—exclusive of the 10 cent per pound bonus now being assessed by government subsidy. So long as the Government continues to pay the 10 cent butter subsidy (and it has agreed to do so until next spring) the proposed price to consumers, based on dairy industry figures, would be 65 cents or about 20 cents a pound more than current prices.

Since the winter is the season of "off production," the Government inclination would be to defer a major overhaul in dairy price structure until the spring. Whether this will now be possible in light of new cost and political pressures, remains to be seen.

Construction Trends By CLIVE CHATTOE

Western Builders Push 'Finish the Job' Drive

To Ottawa last week—to see Chief Priorities Officer Wilbur Uren—went President Frank Lount, Winnipeg, of the National House Builders' Association, Walter Bergman, chairman of its Winnipeg section and George Prudham, who heads the Edmonton section.

They were following up the two-months-old drive of western house builders (The Financial Post, Construction Trends, July 20) to get supplies before winter for unfinished houses for veterans. Specifically, they wanted better results from priority certificates for such houses at Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver and Victoria, seven key cities of the West.

They left Ottawa with an assurance that what they asked would be granted promptly. Manufacturers serving the western house building industry would effectively honor priority certificates for the "finish the job" drive, or a special directive on this point would be issued by Mr. Howe's Reconstruction Dept.

• • •

More "War" Houses

Wartime Housing, with 5,494 houses under construction and 23,273 occupied, still is getting municipal requests for more of the same. But though it's stated the company will try to get foundations in for some additional houses before winter, there is no guarantee of 1946 delivery on applications received since the June 1 deadline.

Latest municipal request is from Regina which asks 150 more houses, all "permanent" type, i.e., with basements. Regina asks also that its additional houses be made subject to full city taxes; argues it will lose about $1,000 tax revenue per house over the 15 years of the agreement on the original 450 houses now getting Wartime Housing's standard token payment of $24 and $30 a year per house in lieu of taxes.

Although Wartime Housing hasn't acted yet on the Regina application, it's believed the Crown company will agree to add the 150 houses asked to its 1947 construction program. There's some doubt about the basements though. The city's proposal for higher or full taxes is thought likely to be accepted under Wartime Housing's new standard offer evolved this summer after widespread municipal objection to any expansion of the $24-$30 token formula.

The new deal is available only on specific request. It calls for collection by Wartime Housing of full or nearly full municipal taxes, but only as an agent of the municipality. The rents stay where they were. This, of course, puts the onus for higher costs to the tenant squarely on the municipality. It isn't at all what municipal officials have had in mind in demanding a new formula and, according to Wartime Housing headquarters at Toronto, so far has attracted very few municipal requests for additional houses to be so taxed.

• • •

"Massey-Harrisville"

If your employees are clamoring for houses—and they are if you're a manufacturer building or expanding a plant in the average smaller "big city"—take a look at Massey-Harris' treatment for the housing headache.

Massey-Harris, after major expansion at its Verity Works, Brantford, Ont., found many employees frantic about a place to live, any kind of shelter. So, a few weeks ago, the company signed a three-year lease with War Assets Corp., Montreal for 20 buildings in a former air training station—with option to extend to five years—and already has installed 34 families and 91 single men after extensive interior alterations. "Massey-Harrisville" eventually will have a population of 750.

The community got a ready-made water, sewage and electrical system, central heating, laundry, baseball diamonds, swimming pool, cinder track, combined theatre and community centre. It will get, in addition, a general store, indoor hockey and roller skating rinks, bakery, refrigeration plant, a grade school and its own elected government.

Thus, conversion of surplus military buildings into emergency shelter becomes the latest wrinkle in company housing. Common before the war were company-owned settlements in mining, pulp and similar "wilderness" operations. Before and since the war, increasing numbers of manufacturing firms have been building new houses to match plant expansion. And the Dominion Government, through Wartime Housing Ltd., in wartime and since, has been landlord to somewhere around 30,000 worker and veteran families. But "Massey-Harrisville" typifies still another departure from the ordinary in the varied history of plant staff housing.

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Maple Leaf Milling Company Limited

(A company incorporated under the Ontario Companies Act)
and its wholly-owned subsidiaries

CONSOLIDATED BALANCE SHEET as at 31st July, 1946

ASSETS

Current:		
Cash on hand and in banks		$ 254,814.42
Dominion of Canada bonds at cost		15,000.00
Accounts and bills receivable, less reserve		1,874,321.62
Hard wheat held as agents for the Canadian Wheat Board—at cost	$2,646,194.44	
Inventories of flour, soft wheat, coarse grains, cereals, feeds, bags and other products and material as determined and certified by the management, valued at the lower of cost or market, less special reserve of $450,000	2,407,177.02	5,053,371.46
Prepaid expenses		86,737.89
		$7,284,245.39
Sundry:		
Inventories of repair parts and supplies less reserve	$ 87,406.47	
Refundable portion of excess profits taxes (estimated)	543,753.31	
Sinking fund—cash in hands of trustee	50,000.00	681,159.78
Investments:		
Shares of controlled companies based on revaluations by the management in 1926 (approximate market value $2,025,000)	$1,034,191.62	
Other investments, mortgages, exchange seats and properties acquired, held for sale, less reserve	30,262.11	1,964,453.73
Fixed:		
Real estate, plant and equipment at the depreciated replacement valuation as appraised by Canadian Appraisal Company Limited as of 15th June, 1929, plus additions at cost	$6,372,577.96	
Less reserve for depreciation	3,041,874.80	
	$3,330,703.16	
Trucks and automobiles at cost less depreciation	33,979.21	3,364,682.37
Trademarks and goodwill		1.00
		$13,294,542.27

LIABILITIES

Current:		
Current bankers' advances (secured)		$1,947,150.61
Owing for undelivered purchases of grain, etc. (secured)		129,091.11
Accounts and wages payable and accrued charges		2,018,892.08
Taxes payable and accrued (including provision for estimated income and excess profits taxes)		257,334.72
Bond and debenture interest accrued		30,312.50
Serial debenture instalment due 1st September, 1946		200,000.00
		$4,582,781.02
Funded debt:		
First mortgage sinking fund bonds, 3¾% series due 1963	$2,500,000.00	
Collateral trust ten-year 3% serial debentures (secured) repayable in instalments at the rate of $200,000 per annum in each of the years 1947 to 1950 inclusive, $100,000 in each of the years 1951 to 1954 inclusive and $400,000 in 1955 (after deducting instalment included in current liabilities)	1,600,000.00	4,100,000.00
Capital:		
Authorized— 500,000 common shares of no par value		
Issued— 438,100 common shares	$2,318,100.00	
Less 20,482.2 shares held by a subsidiary	20,482.20	2,297,617.80
Earned surplus—balance accumulated since 1st August, 1934		2,314,143.45
		$13,294,542.27

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the consolidated balance sheet of Maple Leaf Milling Company Limited and its wholly-owned subsidiaries as at 31st July, 1946, and of the statements of profit and loss and surplus for the year ending on that date. In connection therewith we examined or tested accounting records of the company and its subsidiaries; we also made a general review of the accounting methods and of the operating and income accounts for the year and made tests of the year's transactions.

We report that, in our opinion, based upon our examination, the accompanying consolidated balance sheet and related statements of profit and loss and surplus have been drawn up so as to exhibit a true and correct view of the state of the companies' affairs as at 31st July, 1946, and of the results of their operations for the year, according to the best of our information, the explanations given us and as shown by the books of the companies. All our requirements as auditors have been complied with.

Toronto, Canada,
23rd September, 1946.

CLARKSON, GORDON & CO.,
Chartered Accountants.

CONSOLIDATED STATEMENT OF EARNED SURPLUS for the Year ended 31st July, 1946

Balance 31st July, 1945		$2,615,654.27
Add net profit for the year		682,809.10
		$3,298,463.37
Deduct:		
Dividend paid 1st May, 1946, on common shares (at 50c per share)	$208,810.50	
Premium and accrued dividend on the redemption of all of the Class A participating preferred shares of no par value on 15th December, 1945 (91,997 shares less 3 shares held by subsidiary)	775,509.42	984,319.92
Balance 31st July, 1946		$2,314,143.45

Dentists "Pulling" Selves Into Higher Income Tax Brackets

MONTREAL (Staff) — Canadians are getting more and more friendly with their dentists, according to the Dominion Bureau of Statistics. In 1941 60% of dentists had net incomes over $2,500 but, by 1944, 78 dentists out of 100 were netting more than this amount. Still another indication of the rising popularity of dentists is that 7% of them had net incomes over $8,500 in 1944—only 1% took in that much in 1941.

Since the number of practicing dentists has remained almost constant from 1942 forward, DBS says these figures appear to bear out the statement that more persons are seeing their dentists more often.

Friendliest of all Canadians with their dentists are westerners, according to DBS. Prairie dentists' average net income in 1944 was estimated at $5,800. Dentists in British Columbia are next best off with average incomes of $5,000. Average in the Maritimes is $4,300, Ontario $4,100 and Quebec $3,300.

If your dentist is statistically minded here are some more figures you can discuss with him while waiting for the freezing to "take" before having a tooth extracted. In 1944, 3,279 dentists had gross incomes of $26,647,000. Some $12.9 millions of this was paid out for silver, gold, equipment, and other expenses leaving a net income of $13,610,000. This is about $2 millions more than in 1941.

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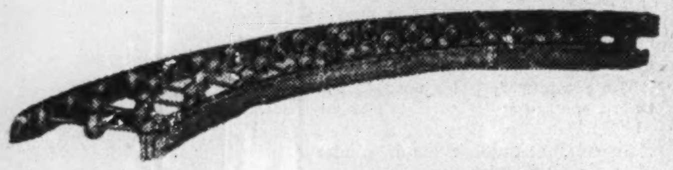

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150	18,000	36,000	54,000
200	24,000	48,000	72,000
300	36,000	72,000	108,000
400	48,000	96,000	144,000

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Labor Roundup

Will Steel Settlement Solve Other Big Strikes?

The stage was set this week for the end of the steel strike that cost Canada 760,000 man-days of labor. In Hamilton, Sydney and Sault Ste. Marie, more than 10,000 steel workers voted on settlement proposals Tuesday and Wednesday, and indications were that they would vote overwhelmingly for acceptance.

Still unsolved were such major labor disputes as the United Electrical Workers (6 plants, 8,000 workers), the United Rubber Workers (7 plants, 10,300 workers) and United Automobile Workers (4 plants, 5,000 workers) but observers were hoping that the steel settlement would set a formula or create a pattern which might speed their solution, too.

And while pondering these walkouts, involving thousands, industrial and labor leaders alike had an eye on a midget strike of gigantic proportions—the strike of 400 workers at Brunner-Mond's Amherstberg plant, which has crippled half a dozen major industries, ranging all the way from soap manufacture to glassware, by choking off all supplies of vital soda ash.

In Sydney and Sault Ste. Marie the end of the steel strike will mean only the reopening of plants closed for more than 76 days, but in Hamilton it will open the doors to a vast supply of steel to give a badly needed "shot in the arm" to the steel-starved industries of Canada.

Reports from the Stelco plant suggest that more than 100,000 tons of steel—bars, plates, sheets and rods—are piled up in the Hamilton yards awaiting shipment as soon as plant gates open. It represents only 45 days' normal output, but a nation cut off from supplies for 11 weeks, it stacks up now as a virtual bonanza.

H. G. Hilton, Stelco's president, however, warned industry last week that the end of the strike will not mean an early abundance of steel. Blast furnaces were due for relining in Hamilton when the strike was called, he said. Two of the three in operation at the Stelco plant will have to be attended to immediately, he said, and the work will require "several weeks." Until it is completed, he explained, the plant will not be able to produce enough pig iron to support capacity steel production.

"The fuel shortage," he went on, "intensified by the coal strike in the United States, the Canadian shipping strike, and refusal of the steelworkers' union to permit more than minimum daily production of coke at Algoma also enters into the picture. It is highly probable that, even after the blast furnace repair work is completed, there will be insufficient coke for maximum production of pig iron until next spring.

"Before the strike, from 10,000 to 15,000 tons of purchased steel was being rolled monthly to make capacity operation of all the company's finishing mills possible. It is expected that, as a result of the production lost during the strike at the plants of Algoma and Dosco, from whom this steel was bought, as well as fuel shortage, this tonnage will not be available following the strike.

"At the company's Canada Works, where wire, nails, screws and many other wire products are produced, the long period of idleness has resulted in extensive damage to wood block flooring which will have to be repaired before operations can be resumed. The union has persisted in refusal to permit the employees of a contractor, who is not involved in the strike, to enter Canada Works to carry on the necessary repairs. As a result, it will be impossible to restore operations to normal at Canada Works for 10 days or two weeks after settlement of the strike.

"The expansion program at Hamilton works, of very great importance to employment in the city of Hamilton, has also been at a standstill since the outbreak of the strike, although the contractors carrying out this work were not involved in any way in the dispute with the steelworkers. The major items affected are the cold strip mill, a large battery of coke ovens, a new boiler house and an office building. As a result of the loss of time during the summer, when conditions were favorable for outdoor construction work, it is possible that it may be necessary to defer a substantial portion of this work until next spring."

Union Rejects Anaconda's 11c. Offer

Anaconda American Brass Company's latest effort to persuade its workers to come back has failed. It offered an across-the-board increase of 11c. an hour. At a Sunday mass meeting, members of the striking union—United Mine, Mill & Smelter Workers (CIO)—turned it down. Afterwards, union leader Ben Doherty announced the membership of the local had "instructed" the negotiating committee to accept nothing less than 12½c. The 11c. offer followed L. W. Brockington's investigation of the strike as Government commissioner.

The newly-organized Lakeshore Brass and Copper Workers Union (CFL) formed by a group of workers who disagree with UMM tactics, turned out a handbill last week which played up the point that, even with a 10% raise on Oct. 1, they couldn't recover their losses until March, 1950. "How long shall we let ourselves be fooled by the CIO?" the new union asked.

J. S. Vanderploeg. Anaconda's trenchant general manager, tired of so much prominence being given to union demands, paid for space in Toronto papers to tell why he has waged such a long battle (20 weeks) against the union.

He said his fight is against irresponsible, un-Canadian union leadership and mass meeting show-of-hands voting on strike action. In addition, he wants unions to be made legally responsible for breaches of contract and the government to enforce its picketing laws.

Vancouver Province Sues for Strike Losses

Whether or not a union officials and members can be found liable for losses sustained by employers through illegal strikes will be put to test in an action for $250,000 damages entered in Vancouver Supreme Court by the Southam Co., publishers of the Vancouver Province.

Last June 5, the province's International Typographical Union (TLC-AFL) local struck. The paper lost publication of 46 issues through June and July (plus three more in September when pressmen walked out). The action names as defendants the 85 members of the union whom the paper no longer employs.

At Windsor during the TLC convention, the secretaries of TLC councils in the five cities where Southam paper locals of the ITU struck and are now locked out, laid plans to support the union. R. K. Gervin, Vancouver TLC delegate, said "the Southams are out to smash the union" through the opposition Canadian National Printing Trade Union. ITU locals in the United States and Canada will be assessed $500,000 to help the Southam locals.

Canuck's Diamonds May Challenge the Combine

Who is Dr. J. T. Williamson?

Canadians started asking this question this week after one Dr. John Thornburn Williamson, Montreal, was reported to have discovered a new diamond mine in Tanganyika, glowingly described as eight times as large as the Kimberley, South African mine, hitherto considered the world's largest.

(London dispatches later questioned whether Dr. Williamson's "bonanza" would be so epochmaking.)

Dr. J. T. Williamson was born at Monfort, Que., in 1907, and graduated in geology from McGill University. He spent several years prospecting for diamonds. First, in northern Rhodesia where his luck was nil, and, secondly in Tanganyika where he made his strike. In the Shinyanga area of Tanganyika, Dr. Williamson found indications of diamonds and staked a group of claims. He then plotted the course of what he believed to be a vast diamond "pipe"—a tube of the typical blue clay like that in which the Kimberley diamonds are embedded. Dr. Williamson produced diamonds during the war, which were invaluable to the war effort. The largest stone found in his mine to date weighed 135 carats —28 15/16 carats more than the famous Koh-i-noor. South Africa's largest diamond, the Cullinan, weighed 305¾ carats, it is reported.

The present plans of Dr. Williamson are to sell his diamonds independently of the world combine operated by Diamond Trading Co., London, Eng., which sold $100 millions last year.

Diamond authorities believe Dr. Williamson will have no difficulty in disposing of his diamonds, as independent operators from British Guiana, Brazil and Venezuela have been marketing raw stones for years. Dr. Williamson is reported to have turned down an offer of £5 millions from the combine to handle his sales.

Installation of mining machinery (on order) will bring up the Williamson mine's output to a reported 2,000 tons of diamond-bearing diggings daily.

Dr. Williamson received his Ph.D. degree from Dr. J. J. O'Neill, dean of engineering and head of the department of geological sciences, McGill University, in 1933. He was for a time senior geologist with the Quebec Geological Survey. His father is B. J. Williamson a lumber dealer at Lachute, Que.

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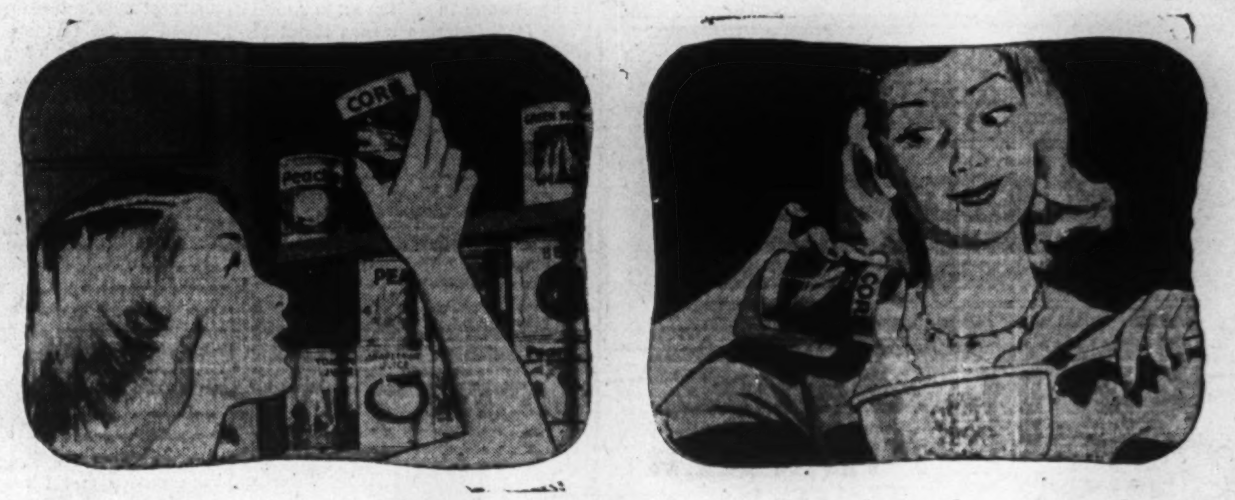

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Oboe or Bent Piece of Pipe It's All Business to Elton

By ROBERT R. ROBINSON

Much as an oboe may look like a bent waterpipe and a French horn like an intricate drain trap, it is still surprising to find a former plumbing supply salesman managing a symphony orchestra. But Jack Elton has been running the business end of the Toronto Symphony Orchestra from his dingy office backstage at Massey Hall, the orchestra's downtown concert place, for the last 10 years with increasing success.

JACK ELTON

Elton, who looks more like a schoolteacher than either a plumbing supply salesman or an impresario, is no musician and admits it, Although his father, the late Henry J. Elton, played piccolo and flute in the T. S. O. before he became its first full-time manager, Elton, Jr., claims he can't even hum through a Jews harp. Until about 15 years ago, when he gave up the plumbing line to come to Toronto and help his father on the publicity end of the business, he hadn't even attended a symphony concert. His first was one of the Children's Concerts for which the T. S. O. is famous.

Elton is now a member in good standing of The Conference of Managers, along with the business heads of the 22 top United States orchestras. Only orchestras with annual budgets of $100,000 or more are asked to attend. Toronto now budgets for more than double that figure ($220,000 this season) and is the only Canadian organization represented.

Grossed $163,670

Last year the T. S. O. played 56 concerts in 22 weeks, for an audience of 125,300. Its total gross earned income, including broadcasting and recording fees, was $163,670; its gross expenditures $212,171. The deficit was only $48,500, made up by $46,111 in voluntary subscriptions and a $2,500 grant from the City of Toronto.

Deficit is the joint annual headache of the Toronto Symphony Orchestra Association board of directors presided over by W. G. Watson, and the Women's Committee headed by Mrs. Roy B. Whitehead. Shrewd and cultured, Watson has headed the board for six years, been a member since Sir Albert Gooderham formed an Orchestra Association in 1924. When he's not boosting the orchestra and the cause of community culture generally, silver-haired William George Watson is vice-president and general manager of Toronto General Trusts Corp. and a director of half a dozen big businesses.

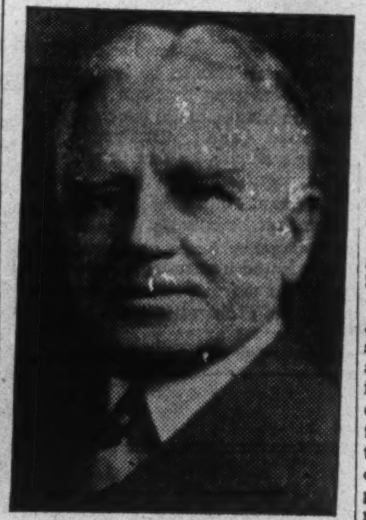
Like the orchestra's business manager, Watson is not a musician himself, although he wishes he were. He met the symphony back in the days of "Twilight Concerts," so-called because most of the 65 musicians earned their living in local theatre orchestras and the only time they could meet was between matinee and evening performance at five in the afternoon. For the players it meant skipping supper, but they and people like Watson in the growing Massey Hall audience loved it.

"That used to be great relaxation, slipping out of the office to a concert before dinner," recalls the orchestra's executive head.

$4 a Season, $65 a Week

For three concerts and a season of rehearsing, the original orchestra's 65 members each earned $4. This year's T. S. O. payroll shows a $65 weekly minimum for every man, with the principals' salaries ranging from $75 upward; but, then, the 1946-47 season calls for 60 concerts.

Luigi von Kunits was the orchestra's original conductor. He was succeeded after his death in 1931 by the present conductor, Sir Ernest MacMillan. Ten of the present 85 T. S. O. players were with the orchestra on April 23, 1923, when its first program sheet said, "We wish an opportunity to express ourselves through the playing of symphonic music without considering the immediate financial returns. We believe there are in Toronto a sufficient number of people who appreciate a symphony orchestra to make a good audience whenever it is announced that the orchestra has a program sufficiently rehearsed."



W. G. WATSON

To see that they are "sufficiently rehearsed" today is a major expense—of the total annual payroll of 155,000, 68% of it pays for rehearsal time. Next biggest item on the budget is the cost of imported guest artists—$26,000 this season, for 52 artists. And another cash layout is made up of charges for music rentals, royalties and arranging—$3,500 projected.

Lost $2,600 on Exchange

Jack Elton is another businessman who swore softly when U.S.-Canadian dollar parity was announced. The 10% knockdown meant an extra $2,600 debit against his season's budget, for he had been buying artists' services with Canadian funds in New York. And to an outfit that has been dubbed by one music critic "the biggest shoestring orchestra in the world," a $2,600 blow is no love tap.

Financially the T. S. O. has been battling uphill all the way. Its predecessor, an earlier T. S. O. organized in 1906 by Frank Welsman, went completely under during World War I, when its principal backer, Henry C. Cox, had to withdraw his support. During the depressed 1930's, the new T. S. O. increased its season to a series of 10 full-length evening concerts, but stayed on the red side of the ledger. Its accumulated deficit at the end of the depression was $20,000, which was wiped out by a group of interested citizens headed by Arthur L. Bishop, Maj. James E. Hahn, Rt. Hon. Vincent Massey and Fred R. MacKelan, K.C.

"Pop" Concerts Make Money

Last year a financial boost came with the introduction of "Pop" concerts, a series of 24 evenings of lighter, easier-to-listen-to music which were picked up as a commercial broadcast by The Robert Simpson Co. Ltd. and sent coast-to-coast on the CBC's Trans-Canada network. Not only does the T. S. O. get a handsome broadcast fee from Simpson's, but it packs Massey Hall with a new kind of concert goer. Jack Elton estimates that after a single season there may be as many as 15% more subscribers to the series of heavier Tuesday night concerts, led along the musical path to bigger and better programs by the "Pops." And on top of this, an orchestra of T. S. O. calibre can perform a lighter program with a minimum of rehearsing, cutting down on overhead, building up revenue.

By the end of the orchestra's last fiscal year, April 30, 1946, its affairs were in such order that the Association was able to set up a special retirement fund of $3,000. This year it has budgeted to add $5,000 to this fund for members of the orchestra and office staff, and the hope is to create a more comprehensive provision for their retirement.

They Like Teen-Agers

Favorite project of orchestra members and board alike is a special series of concerts for secondary school students, begun in 1940, dropped during the war, but scheduled for resumption this season. The secondary school series of five double concerts (each has to be played twice to accommodate all the students who turn out) came about at the instigation of the teen-agers themselves. Concerts for public school students had been established long enough for the youngsters to grow into high school years, and, getting no concerts there, they yelled: "Hey, there are concerts for kids, concerts for grownups; how about us?"

A Students' Council has been formed to run these high school symphonic shows, and Sir Ernest MacMillan says the bobby-soxers make a "top drawer" audience, Frank Sinatra notwithstanding.

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1. BY HIS LOOKS? . . . This method sometimes works but there can be no assurance. Most of us are not the infallible judges of men we like to think we are and mistakes are costly.

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Quarter Section Crop is $10,000

From Our Own Correspondent

WINNIPEG — Manitoba's biggest cash crop so far reported from one quarter section of 160 acres, has been produced by Orval Metcalfe, Bowsman, a point in the Swan River Valley about 325 miles northwest of Winnipeg. Off one quarter section he has taken a $10,000 crop of rye.

The Swan River Valley will perhaps rank as the province's biggest yielding district. Harvesting is later than in other sections of the province, but wheat is running from 30 to 60 bushels to the acre; barley about 60, and 100-bushel yields of oats are comparatively common.

GREEN'S MANUFACTURING HOUSE, Portage La Prairie, announces that henceforth the business will be carried on at larger and more commodious quarters and will be known exclusively as "Delta Apparel Industries Ltd."

CANADIAN PACIFIC RAILWAY CO. gross earnings for the week ended Sept. 21 were $6,196,000, up $22,000 or 0.4% from a year before; the first occasion since March 31, when gross weekly earnings exceeded the similar 1945 period.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Deductions For Child

Under the new income tax regulations effective Jan. 1, 1947, what are the exemptions allowed for a child at school?

If the child is under 16 and the parent entitled to family allowances on his account, the deduction from income allowed for income tax purposes is $100, whether the parent applies for family allowances or not. If the child is over 16 and not entitled to family allowances, the parent is allowed a deduction of $300. Deductions for dependent children over 18 are not allowed unless the child is at school or college, in which case they are allowed until he is 21.

INVESTMENTS

Bond Yields

I have to sell some Dominion of Canada bonds to meet a payment. My broker suggested selling my short-term bonds. Would you agree?

Short-term Dominion bonds are selling to return you a smaller yield than longer-term bonds, and consequently, on the basis of income, the shorter-term bonds are advisable. In the case of a drop in the general level of interest rates a longer-term bond will drop more on a price basis than a shorter-term bond for the same change in yield. This is a factor to consider in your decision.

Montreal Island Power

How are Montreal Island Power bondholders likely to fare under negotiated arrangement between the shareholders' committee of Montreal Light, Heat & Power Consolidated and the Quebec-Hydro.

Obviously this question cannot be answered at this time because no agreement has been reached. However, as you probably are aware, the Quebec-Hydro Electric Commission made a formal offer last spring (rejected at that time by the Montreal Light, Heat & Power Consolidated) for the physical assets of Montreal Island Power Co. amounting to $7,220,000, plus 10% compensation. This meant a gross value of $7,942,000 from which must be deducted the principal amount of Montreal Island Power bonds, some $9 million odd. Had this offer been accepted it would have meant that the outstanding bonds would have had to be reduced in value proportionately.

There is, of course, always the possibility that the Quebec Hydro Commission will call Montreal Island Power bonds at the call price of $102 and accrued interest. Beauharnois Light, Heat & Power Co. 4½% first mortgage bonds were recently called at $103 and accrued interest. The Quebec-Hydro Electric Commission gave notice that on Nov. 1, 1946, the company would redeem $112,000 principal amount of Montreal Island Power bonds.

Anglo-Can. Telephone

Would you please give me your views of the wisdom of a $2,000 investment in Anglo-Canadian Telephone Co.?

This is a holding company with investments in companies which own telephone systems in British Columbia, the Dominican Republic and the Philippine Islands, all formerly owned by National Telephone & Telegraph Corp.

Properties in the Philippines were in Japanese hands from 1942-45. Directors of Philippines Long Distance Telephone Co. have taken action with the U. S. War Damage Corp. to protect the interest of that company in its property. In addition, Anglo-Canadian Telephone has filed claims with the Canadian Government.

The company, through its subsidiaries, controls over 155,000 telephone stations, together with long distance, toll and wireless circuits and serves a population of over 3,500,000. Present capitalization consists of $12.5 millions authorized of 4½% preferred cumulative $50 par value stock of which $5 millions are outstanding; there are also outstanding 487,100 shares of an authorized issue of 815,000 shares of Class A par value $10 stock and 200,000 shares of preferred stock, par value $10.

Earnings per share of the Class A stock amounted to 62.4c. in 1945 (61.6c. in 1944). Working capital stood at $556,352 at March 31, 1946, ($526,388 at Dec. 31, 1945). Investments were shown at $11,377,069. Earned surplus forward amount of $819,889.

The Class A stock has been paying annually 60c. a share since 1938 and is regarded in financial circles as a satisfactory type of investment. The company paid 55c. a share in 1936 and 1937 on the Class A stock.

The company was incorporated on Dec. 1, 1934, to acquire the assets and liablitities of National Telephone and Telegraph Corp. incorporated in Delaware in 1926.

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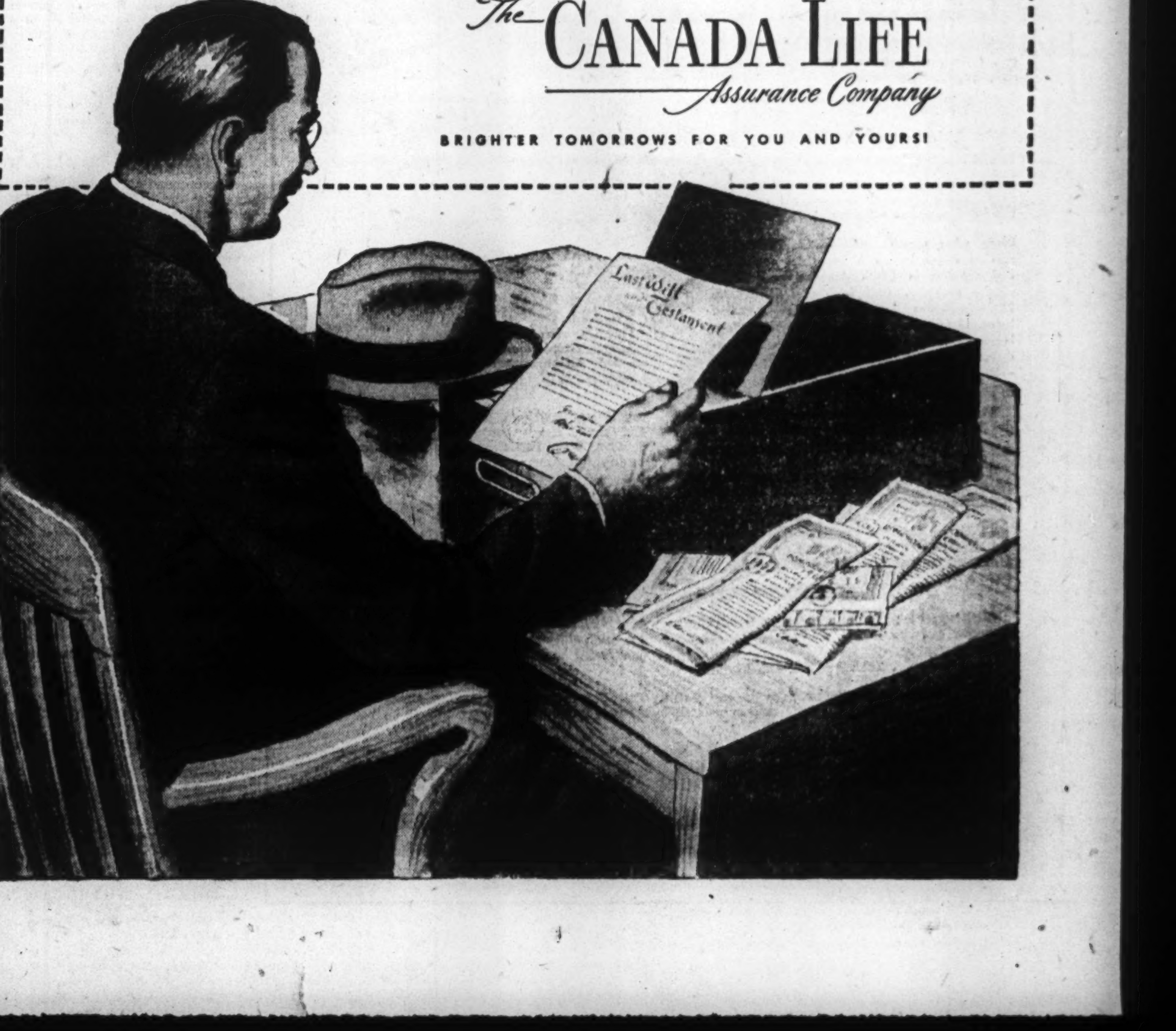


APPOINTED DIRECTOR

Lt. Col. W. E. Phillips, C.B.E., D.S.O., M.C., has been appointed to the Board of Directors of Eastern Steel Products Limited. Col. Phillips is Chairman, Board of Governors the University of Toronto; President, Duplate, Canada Limited, Research Enterprises, Fiberglas, Canada Ltd. and Director of Royal Bank of Canada, Massey-Harris Co. Ltd., Confederation Life Association, Standard Chemical Company Ltd. and the Crown Trusts and Guarantee Co., Ltd.

Hope for Cheaper Houses Lies in Mass Production

The question: Wherein lies our greatest hope for cheaper housing?

By building far more houses than we have been building, say most of those queried by The Financial Post. On how this goal would be reached, however, there is diversity of opinion.

Some would have the Government get out of the picture and encourage the greatest possible competition. Others would boost the subsidies.

Most agree, however, that the main cost factors, at present, are shortages of both materials and labor caused by strikes and strike stoppages. They also stress that there must be far more use of prefabrication, both of equipment and finished houses, hence saving expensive on site labor, more use of modern materials and better planning within the house itself.

A. P. C. ADAMSON, President, Town Planning Consultants Ltd., Toronto

I don't think there is much hope; but if the wasting of time of site labor by strike-caused material shortages could be avoided, if the enterprising rural and suburban home owner could obtain knock-down houses for erection in his own time, if the Government would institute intensive research into new building methods, I think house costs could be slightly reduced.

• • •

W. H. BOSLEY, W. H. Bosley & Co. (real estate), Toronto

Government subsidy is the only source of cheaper housing. With organized and less efficient labor, building costs, of which labor is about 60%, may never be substantially reduced. Prices of existing housing, however, may be stabilized or reduced by removing present restrictive legislation so that private enterprise may produce the vast flood of new housing which is the only answer to the overwhelming demand that is making housing so expensive.

• • •

WILLIAM E. GOLDING, President, River Valley Lumber Co., Saint John, N.B.

Our greatest hope for cheaper housing will be to have some sane co-operation from labor. With shortages occurring on account of strikes holding up necessary material how can we expect to get efficiency with labor asking more and more for less and less work and government permitting labor pickets to break all the laws of the land and openly and boldly declare they intend to continue to do so?

• • •

T. D. M. LATTA, Toronto General Trusts Corp.

A prime requisite for cheaper housing is, of course, an adequate supply of building material; also, economies in skilled labor and an extensive development of prefabrication. I would advocate establishment of regional building boards by provincial governments manned by architects and engineers, to investigate in the public interest any sizeable building scheme. The board would not have veto power and would not interfere with genuine competition but would give or withhold approval for building schemes, having regard to cost per unit and modern developments and improvements and quality of construction.

• • •

MRS. J. E. LARGE, Convenor, Housing Committee, Ontario Provincial Council of Women, Niagara Falls, Ont.

The cost of housing is based on outlay for materials and labor. Our greatest hope for cheaper housing lies in prefabricated homes. Why? Cost of prefabricated houses per cubic foot complete runs from 20 to 30 cents; cost of conventional building per cubic foot of space completed runs from 40 to 50 cents. The prefabricating manufacturer buys materials at less than wholesale. Mass production cuts original labor costs both for fabrication and erection. The conventional builder charges retail prices for materials. Labor costs are higher because he cannot use mass production methods and must build on the site.

• • •

W. J. LeCLAIR, Secretary-Manager, Canadian Lumbermen's Association, Ottawa.

Housing is costly today because of the scarcity of materials and unproductivity of construction labor plus a feeling of frustration in private enterprise which has removed incentive to competition in building. Government controls are interfering with production and are delaying undertaking between employers and labor. Priority regulations are encouraging a government monopoly which is causing a cost spiral. Our greatest hope for cheaper housing is in an early termination of government interference with private business.

• • •

FRANK R. LOUNT, President, National House Builders Association, Winnipeg

Wherein lies our greatest hope for cheap housing? First, look at the causes of high cost materials and labor. These are not likely to be reduced within the next few years. The same is true of interest and amortization costs. The amortization period might be extended but I doubt if this alone would materially affect the cost of houses. What have we left? In my opinion, the only factor that would bring about cheaper homes to meet the present demand would be a Government subsidy.

• • •

BLANCHE MARSHALL, President, National Council of Women of Canada, Toronto

Housing, like everything else, is a matter of supply and demand. For cheaper rental I would suggest that the Dominion Government carry out the recommendation of Curtis of the James Report re a low rental subsidy housing scheme for those in the low income brackets. Provision should also be made to appoint suitable housing authorities to carry out such schemes. Controls made necessary by war might now be removed and building materials released for the small builders in order that the National Housing Act might again function satisfactorily. Short supply, resulting in high cost of materials has been aggravated by strikes. Capital and labor must cooperate and the price for labor be stabilized.

• • •

W. L. MURRAY, President, Murphy-Gamble Ltd., Ottawa.

Settle labor disputes, adjust price ceilings and rent control to ensure steady flow of materials and services by assuring fair return to producers. Let the man who wants to work, work.

• • •

H. W. MANNING, Managing Director and Vice-president, Great West Like Assurance Co., Winnipeg.

The greatest hope for cheaper housing would seem to lie in greater streamlining of the production of homes, which would, of course, include production of the materials which go into them. However, custom-built houses are likely to be characteristic of the wishes of the majority of Canadian home owners for some time to come, which largely obviates the possibilities inherent in assembly line techniques. Consequently, the greatest hope for cheaper homes for the present would appear to lie in the direction of improved efficiency in building custom houses, and also in improved efficiency in producing building

• • •

MONICA McQUEEN, Executive Secretary, Council of Social Education of Greater Winnipeg

The immediate hope of cheaper housing lies in increased production of essential construction materials and settlement of strikes. The only hope for the lowest income group, who can never be expected to buy homes or pay economic rent, lies in acceptance by municipal governments in larger centres of their responsibility for operating subsidized housing projects. Good housing for this group will result in lower expenditures on health, welfare and juvenile delinquency and should therefore be initiated by local groups responsible for these services. Until this idea is generally accepted by Canadians there is no hope for good cheap housing for the low income group.

• • •

J. L. E. PRICE, President and Gen. Manager J. L. E. Price & Co., Ltd., Montreal

1. Lower labor costs accruing from steady improvement in the general efficiency of workers. Any improvement here will naturally come slowly, not overnight.

2. Wider adoption of modular design by architects and others engaged in producing necessary component parts so that these parts may be mass produced in the factories. There are undoubtedly endless possibilities in this direction.

3. Elimination of many existing black market operations now being forced on many reluctant victims as the result of the present shortage of materials. Today's already high prices are now being hoisted even higher because of the bidding that is going on for some of the things in shortest supply.

4. Encouragement of large-scale housing developments instead of smaller developments should also afford the opportunity to bring down average costs.

5. Many antiquated building bylaws could very well be simplified or modernized to eliminate unnecessary expense, without unduly lowering construction standards.

• • •

FORSEY PAGE, of Page & Steele Architects, Toronto, and former President, Royal Architectural Institute of Canada

Why should one expect housing to be cheaper? Milk is not cheaper; motor cars are not cheaper; nor one hundred and one other things. Wages in the building industry, considered on an annual basis, are less than in similar pursuits. My remedy for lower costs generally would be the removal of artificial controls which would permit open competition to again operate; the removal, or the substantial reduction, of the excess profits tax which would encourage production; and the lessening of income tax which would make possible financial reward for personal initiative. Eventually new materials and new and ingenious methods of construction will produce better houses but there is no assurance they will be erected more cheaply.

• • •

H. E. RICE, Editor, Huntsville Forester, Huntsville

I think the problem of cheaper homes for Canadians, thousands of whom are now virtually homeless, centres around three focal points.

1. Price controls on basic building materials should be maintained until the housing problem is solved and even more drastic controls over production and distribution of materials should be instituted, with export requirements curtailed until the current building problem in Canada has been met.

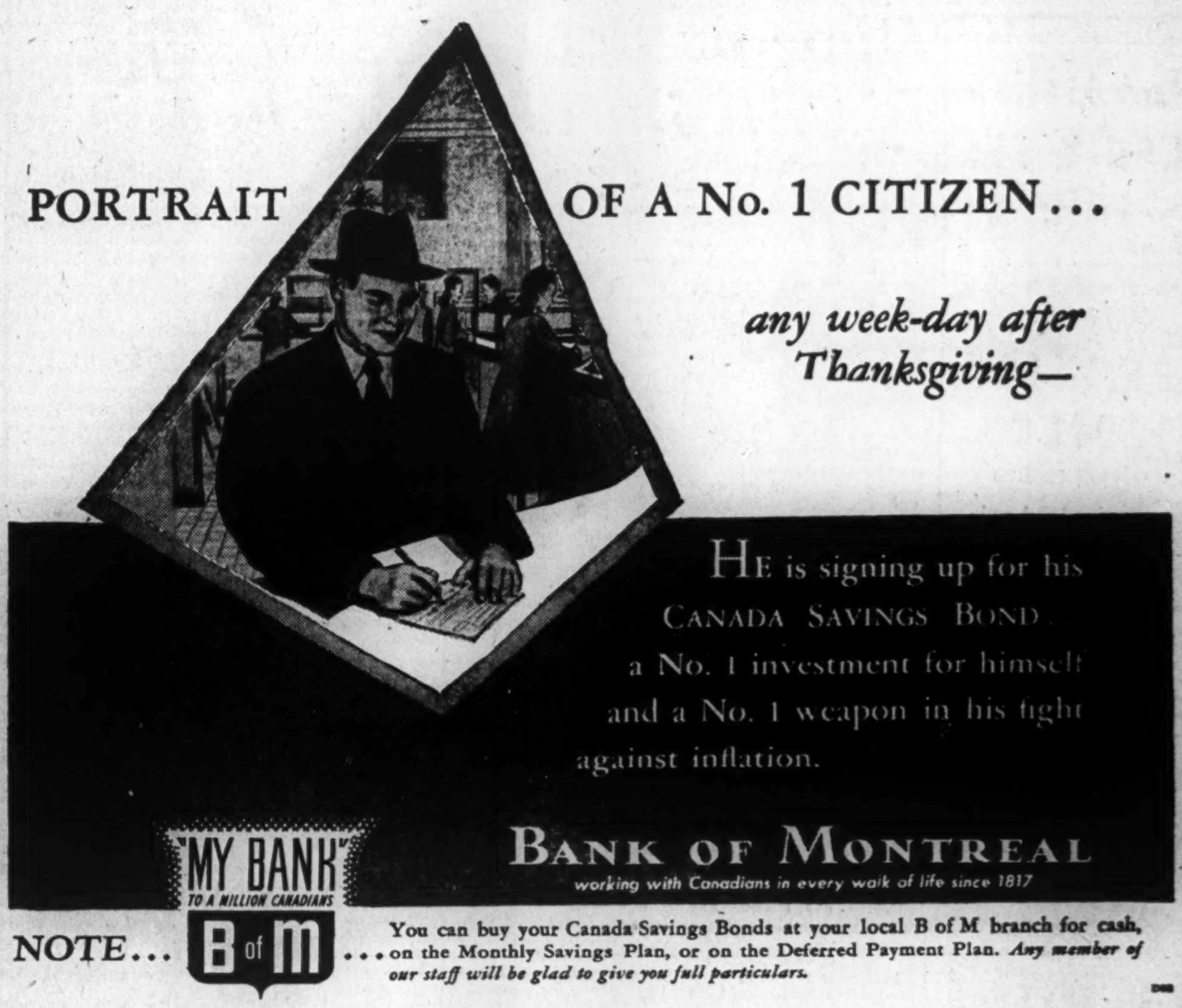
2. Designing and production of prefabricated homes on a scale huge enough to more than dent the surface of the problem is essential; and ready capital at very low interest rates over long terms for repayment should be made easily available for homeseekers.

3. Municipalities should be given legislative authority to acquire, if necessary by expropriation, suitable lands in or adjoining their boundaries and provide building lots at low rates and on easy terms of payment until the acuteness of the situation has been met. The federal and local Governments should subsidize the production and distribution of all basic building materials and, if necessary, assist in providing the capital for establishment of prefabricating plants, and should encourage the decentralization of industry to create more evenly distributed demand for both labor and homes.

• • •

C. B. K. Van NORMAN, Architect, Vancouver

Our greatest hope for cheaper housing must start with a more flexible, economical and intelligent use of the space contained. Over-all schemes on the part of the planner to control the numerous factors affecting housing costs must be adopted first by the use of dimensional co-ordination and modular design. On this basis, a greater freedom of area and a more workable solution will develop, making it possible to standardize to a great extent some of the 50,000 minimum parts contained in a moderate-sized house. Partial prefabrication of these components at subassembly or other plants should be adopted, cutting down site, manhours and costly labor increases due to weather, etc. A revision of the building code and adoption of a national building code is necessary to allow for the adoption of better designed and better engineered prefabricated units which are available today. Many of the existing building codes originated for conditions existing 50 years ago. A more unified system of quantity surveying and price control should be made available for the smaller contractor.



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ACTION FROM FOREIGN FIELDS

INDUSTRIAL Progress

Our foreign trade bulletin featuring enquiries from readers abroad is now being issued monthly to Canadian suppliers of industrial equipment and supplies who are interested in export business. This bulletin will list the enquiries we are receiving in every mail from all over the world. It will also contain practical information of real value to exporters and potential exporters. If you are not receiving this bulletin, please write for it.

Every other month INDUSTRIAL PROGRESS reaches eager buyers of industrial equipment and supplies in South America and British Empire countries. Each issue of INDUSTRIAL PROGRESS contains descriptions of Canadian industrial technique and efficiency. The following extracts from letters show the type of enquiry that comes to our Foreign Trade Bureau—hundreds of these arrive each month.

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SALISBURY—S. Rhodesia

There is hardly an item in your "Industrial Equipment News" that does not catch my attention. All information along these lines will be highly welcome.
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It will be interesting for you to learn that the post-war Indian market offers a very adequate scope for these products specially in view of the industrial revolution which is taking place in our country.
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NEW ISSUE

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PROVINCE OF BRITISH COLUMBIA

2¼% and 2¾% SERIAL DEBENTURES
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To be dated October 15, 1946. To Mature October 15, 1947 to 1966.

Principal and half-yearly interest (April 15 and October 15) payable in lawful money of Canada at the Cities of Victoria, Vancouver, Winnipeg, Toronto or Montreal at the option of the holder. Coupon debentures in the denominations of $500 and $1,000. Debentures may be fully registered or registered as to principal only.

Legal Opinion: Messrs. Daly, Thistle, Judson & McTaggart, Toronto

In the opinion of Counsel these Debentures will be direct obligations of the Province of British Columbia and will be a charge as to principal and interest on the Consolidated Revenue Fund of the Province. The net proceeds of the sale of these debentures will be applied in repaying three issues of Province of British Columbia 3 per cent callable debentures aggregating a total of $4,000,000, which issues are dated June 15th, 1935, January 4th, 1937, and June 15th, 1937, respectively.

Schedule of Maturities and Prices

Maturing October 15	Principal Amount	Coupon Rate	Offering Price	Approx. Yield to Maturity
1947-1956	$2,000,000	2¼%	SOLD	
1957	200,000	2¾%	100.00	2.75%
1958	200,000	2¾%	99.75	2.77%
1959	200,000	2¾%	99.50	2.80%
1960	200,000	2¾%	99.25	2.81%
1961	200,000	2¾%	99.00	2.83%
1962	200,000	2¾%	98.75	2.85%
1963	200,000	2¾%	98.50	2.86%
1964	200,000	2¾%	98.50	2.86%
1965	200,000	2¾%	98.50	2.85%
1966	200,000	2¾%	98.50	2.85%

All prices are "and accrued interest".

We offer these Debentures, as principals, if, as and when issued and accepted by us subject to the favourable legal opinion of Counsel. Subscriptions will be received subject to rejection or allotment. It is expected that Debentures in interim form will be available for delivery on or about October 18, 1946.

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The statements contained herein are based upon information which we believe to be reliable, but are in no event to be construed as represented by us.

LONDON CALLING—*By Adelphi*

Hard to Start a Revolution in U.K. Newspapers 'Inflated' to Six Pages

LONDON — We are in a fairly good mood in London just now. There have been some dry spells for hours at a time, and even a few hours of sunshine. Ronald Duncan, poet, farmer and playwright, told me that he was in two minds about the weather. "If it rains," he said, "my play ('This Way to the Tomb') does better at matinees but it turns farming into a game of water polo, with sheaves of corn."

• • •

Marshal Stalin's press interview about Anglo-Soviet relations has also cheered some up. I suppose it is part of the foolish age in which we live, that one statement by the head of a country can allay six months of suspicion. Incidentally, the British press is rather belatedly playing up the report of Russian spy activities in Canada. The Sunday Dispatch, which is from the same stable as the Daily Mail, is running the whole thing serially.

Stalin's moderation may spring from his goodness of heart or his hardness of head or even from current events, such as the poor showing of the Communist Party in Germany, the Communist Army in China and the Communists generally in Greece. In fact, the world revolution planned by Lenin is rather behind in its schedule. It does not really matter very much why the dove of peace and the eagle of wisdom are hovering over the Kremlin. The important thing is that the birds are there.

• • •

Baronet Pays To Use Own Phone

The squatters' movement against His Majesty's Government seems to have died down. It was as English as Yorkshire pudding, and foreigners are more puzzled by the British people than ever. After all, what can a European make of the incident of the baronet who arrived at his flat to find it occupied by squatters, asked their permission to use the telephone to find out if they were within their rights and then left sixpence to pay for the use of the telephone? England is really a tough place to start a revolution.

• • •

You may have gathered that professional boxing, known in America as the cauliflower industry, is full of worries following the victory of Bruce Woodcock over Gus Lesnevich of America. Mr. Woodcock, whose previous income was of no interest to the Treasury, now finds that having earned £6,000 by his victory, he will come into the upper surtax level if he fights again this financial year. It would mean that he would be fighting practically for the fun of it or the exercise. As a result, he does not want to have a bout now with Mauriello but would prefer to wait for a crack at Joe Louis in the next financial year.

The unfortunate British boxing promoters find themselves like Raymond Hitchcock's old song, "All dressed up and no place to go." The public are ready to pay up to 20 guineas a seat for a top-notch fight but neither Woodcock nor our light heavyweight champion Freddie Mills sees why he should expose his chin for the benefit of the Chancellor of the Exchequer.

Newspapers Suffer From Growing Pains

However, there is no lull on the newspaper front. On Monday of this week the popular press burst upon the country with six pages (instead of four) and unlimited sales for the first time since 1940. It is true that the extra pages are only to be had on three days a week, and that the increase of newsprint will be shortly stabilized on actual demand.

Oddly enough, both the public and the newspapers were rather embarrassed by the larger size. Necessity had so forced upon British journalists the art of condensation that the story of the end of the world would hardly get more than half a column. Equally, the public got used to the bare bones of news and does not know how to regard this putting on of flesh. In fact, the newspapers seemed hard put to it to fill the extra space.

When the war began, all circulations were pegged at 1939 levels and this is the first time that the people have been able to buy exactly what they want. It is hard to gauge the exact figures so far, but it is evident that the tabloid Daily Mirror is going to gain another million in the struggle. It will probably pass Canadian-born Lord Beaverbrook's Daily Express, which is climbing to four millions a day, but the Express will still be able to claim the largest daily sale of any nontabloid newspaper. The serious minded Daily Telegraph will probably reach a million for the first time in its history. The Daily Mail which has staged a comeback in the last two years, will pass the million and three quarters, the Labor Daily Herald will remain stationary around two millions, the Times may stabilze at 200,000, the Liberal News-Chronicle at a million and a quarter and the Daily Graphic (formerly the Daily Sketch) will probably recede by two hundred thousand to three quarters of a million.

These figures reveal the interesting fact that the demand for newspapers is greater now than in the war. The same applies to magazines, periodicals and books. Whether it is the weather, or lack of consumer goods, or the inadequacy of the B.B.C. it is hard to say; but obviously, the publishing industry in all phases is in a healthy condition.

• • •

Olivier's "Lear" Is Stage Marathon

Last night I fought my way through a crush of "fans" (not mine, I hasten to add) and managed to reach my seat in time to see the curtain rise on Laurence Olivier's "King Lear." The play took nearly four hours to perform and at the end the gallery cheered as if the favorite had won the Derby. Fifty policemen had to escort Olivier from the theatre but the women got him before he reached his car, and he nearly went down for the count. The police rescued him just in time or there might have been no second performance.

Whether this is art for art's sake or art for God's sake I am not in a position to say; but it is probably good for the theatrical business, which is booming as never before. Olivier produced the play with brilliance and taste but his rendition of the mad old King, who put his trust in daughters, lacked majesty. At one point he came in dressed like Ophelia and just as cuckoo. However, every seat is sold for the run so perhaps it does not matter.

• • •

The Stock Market continues to sag, with frightened small investors selling and bargain-hunters holding off. Principal declines are in shares that are concerned with America, whether directly or indirectly. Gilt-edged securities which were supposed by experts to be unpopular are strong. The truth is that the British have a stubborn belief in their own future and they are fairly confident that the Socialist Government is going to be sensible. Therefore we are in a fairly good humor for a change.

Sales Increases For B. A. Oil Co.

Sales of all products of British American Oil Co. for the first six months of 1946 showed a substantial increase over a year before and this increase is being maintained, President W. K. Whiteford states in a dividend letter to shareholders.

Recently the subsidiary, The British American Oil Producing Co., successfully completed a new well, Bodger No. 1, in the Los Angeles basin in California at a depth of 9,154 ft. Indications now are that in this new strike, the producing company has discovered a major oil field. Initial production exceeded 1,100 bbl. of crude oil per day; the gas-oil ratio is excellent and there is no water, the president states. B-A is well protected in the area, having a half interest in a block of 1,000 acres surrounding Bodger No. 1. Drilling of two more wells will start in the near future.

In view of greatly increased demand and the company's expanding marketing operations, the new discovery further strengthens the parent company's position with respect to crude oil supplies, the president says. Oil from this new field will be available for moving to the Pacific for shipment by tanker. As the field develops, production will be of extreme value for the company's markets in British Columbia.

JOLIET QUEBEC MINES has issued 122,946 shares to Dunford Rouyn Mines, in consideration of the purchase of mining claims Nos. R-48005 to R-48008 inclusive. Issued capital—4,672,351 shares.

B. C. Electric Discontinues Direct Sale of Appliances

Direct sale of gas and electric appliances were to be discontinued by British Columbia Electric Railway Co., Vancouver, B.C., after Sept. 3, President A. E. Grauer announced.

The new policy includes all merchandising sections. Water heaters, refrigerators and ranges all come under the new order, as does farm equipment such as water pumps, etc.

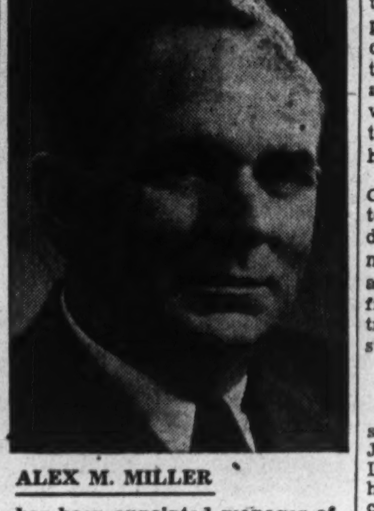
In writing gas and electric appliance dealers telling them of company plans, Mr. Grauer pointed out that B. C. Electric over the last 10 years has gradually reduced the fields in which it sold electric appliances. "We believe the time has now arrived when the company can retire from the last remaining field—heavy load building electric and gas equipment," he continued.

"Several ideas lie behind this decision. First, of course, we could not stop selling—and load building—unless we were confident that the dealers could carry on. . . . we are entirely satisfied they can.

"Second, the competition of a large organization for the comparatively few appliances being manufactured at this time makes it more difficult for other dealers, especially those who have only recently entered this field and are attempting to get their feet under them. Quite a few ex-servicemen fall into this category. With the B. C. Electric out of the picture, there will be more equipment available—to your firm and others like it."

Mr. Grauer assured the dealers of the company's interest in their problems and its desire to help them through its dealer development department. "Plans are now being completed to expand and improve this service, in the hope and expectation that our mutual co-operation will grow even closer in the years to come than it is at the moment," he revealed.

In commenting on the new policy, General Sales Manager H. N. Walters stated the company plans "to do some sales promotion, provide more dealer co-operation and, with all our resources, help out appliance field dealers with advertising, sales training and, in many other ways, stimulate activity in the field."



ALEX M. MILLER

has been appointed manager of the Canadian Association of Advertising Agencies.

SNOW LAKE GOLD MINES has sent in a crew to prospect the Kay-Joe property which adjoins Squall Lake Gold Mines. In addition to holding this group of 80 contiguous claims, the company owns the original 31 claims adjoining Howe-Sound's Nor-Acme development on the east.

JOHNSON & HIGGINS
(CANADA) LIMITED
INSURANCE BROKERS

BUSINESS INSURANCE: A CONTROLLABLE COST

IN THE FACE of rapidly rising production costs, today's logical trend is toward a reduction of *controllable* expenditures. ¶The cost of *business insurance*, which falls in this category, depends upon many factors. Primarily it depends upon the knowledge, experience, and facilities of your insurance buyer. The knowledge must be broad, the experience extensive and the facilities complete in every department. ¶Johnson & Higgins have had more than a century of experience representing the insured in planning, negotiating and servicing low-cost insurance programs for commerce and industry. ¶As buyers of insurance with "no axe to grind but yours," we should like to acquaint you with our comprehensive facilities. Just call or write us for full details.

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$2.35 Per Common For Monarch Knit. For Eight Months

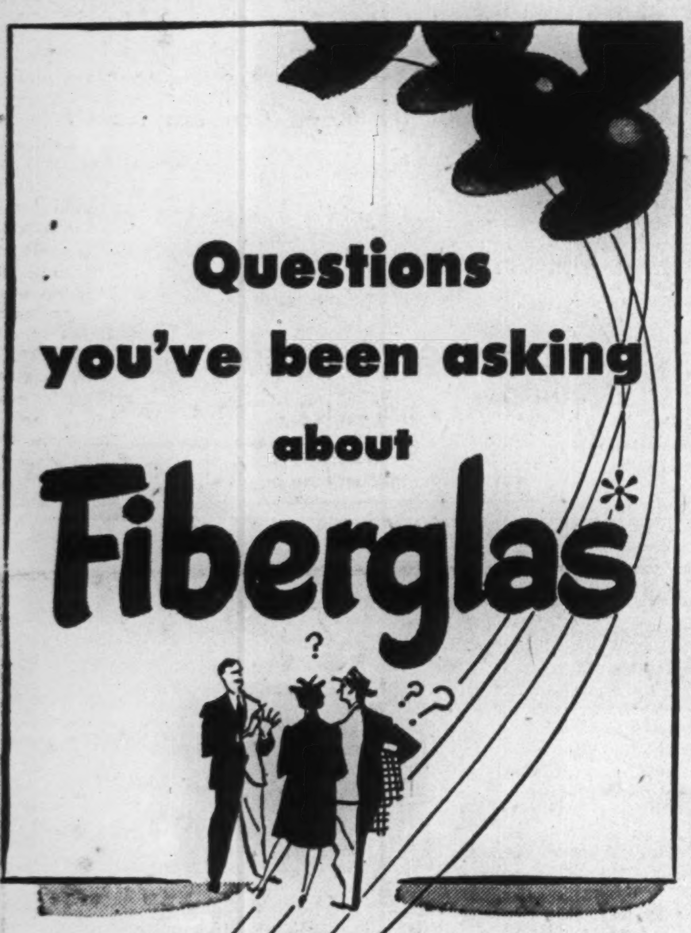
Net profit for Monarch Knitting Co. for the eight months ended Aug. 31, 1946, amounted to approximately $242,000—or about $2.35 a common share after allowance for dividend requirements on the 5% preferred stock, it is stated. In addition, the company showed a nonrecurring profit of $170,000—equal to approximately $1.66 a common share—from sale of machinery.

Notwithstanding continuing high level of demand for the company's products, it is anticipated that profit margins for the remaining four months of the current fiscal year will be somewhat lower as a result of increased wage costs.

A comparison of the company's pro forma balance sheet as at Dec. 31, 1945, with the unaudited balance sheet as at Aug. 31, 1946, shows a working capital position improved from $902,447 to approximately $1,308,000.

It is understood that the company has recently purchased a number of new machines and has rebuilt and rearranged production facilities in several of its plants, which is expected to reduce costs and to place the company in a favorable position to meet future competition.

EL SOL GOLD MINES No. 1 drill hole is reported to have cut the same highly mineralized diorite structure carrying commercial ore indications, as is under development by Louvicourt Goldfields. To a depth of 409 ft. in the hole, six vein sections with gold values up to $19.25 were secured.



Questions you've been asking about Fiberglas*

Just what is Fiberglas?

Fiberglas is just what the name implies. It is extremely fine and pliable glass filaments either spun into fibre form, or blown into wool form.

Is Fiberglas strong?

Yes. Fiberglas fibres have ten times the tensile strength of steel of the same size.

Is Fiberglas made in plate form like window or plate glass?

No. Fiberglas is entirely different from any glass you've ever known before. It is not molded in blocks, or sheets, but is spun from incredibly fine filaments of glass, much finer than a human hair, and may be woven on a loom like cotton or silk.

What is Fiberglas used for?

Fiberglas is used in many ways. It is famous as an insulation material, in homes, factories, aircraft and ships. Fiberglas is used to insulate household products such as ranges, refrigerators, ironers, clothes driers and many other appliances.

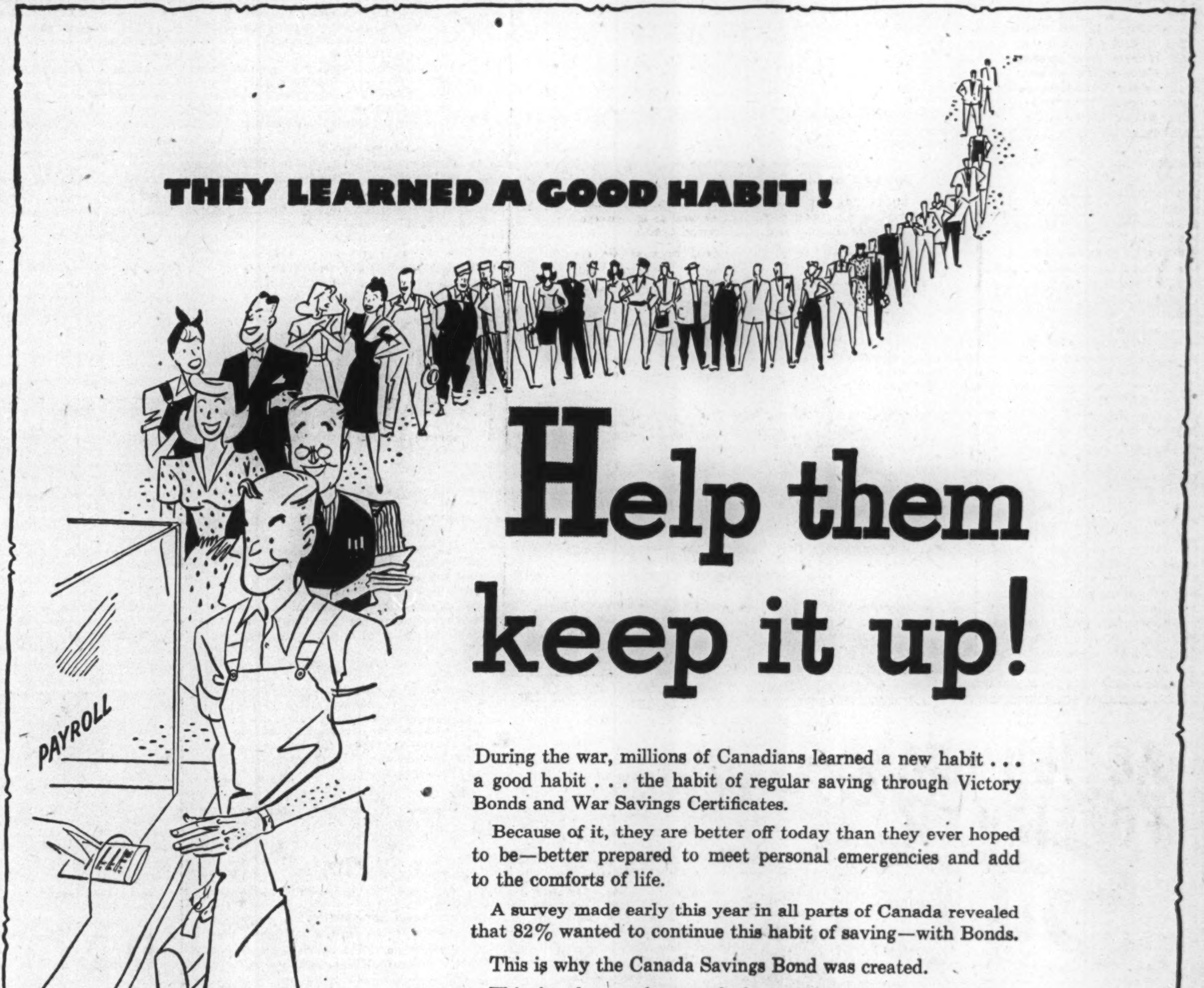
Is Fiberglas used only as an insulation?

No. Draperies and other decorative fabrics are made of Fiberglas, which makes them completely fireproof. In the near future you'll find Fiberglas being combined with plastics to give furniture, luggage, and scores of other useful products strength, lightness and durability.

For further information, write for FREE booklet—"Fiberglas—Many Forms for Many Uses".

FIBERGLAS*
FIBERGLAS CANADA LIMITED

GENERAL SALES OFFICE: [illegible] BAY ST[illegible] [illegible]ORONTO ONTARIO



THEY LEARNED A GOOD HABIT!

Help them keep it up!

During the war, millions of Canadians learned a new habit . . . a good habit . . . the habit of regular saving through Victory Bonds and War Savings Certificates.

Because of it, they are better off today than they ever hoped to be—better prepared to meet personal emergencies and add to the comforts of life.

A survey made early this year in all parts of Canada revealed that 82% wanted to continue this habit of saving—with Bonds.

This is why the Canada Savings Bond was created.

This is why employers of about one million persons have already decided to encourage their employees to keep up the thrift habit, by continuing payroll savings.

Because Canada Savings Bonds will take the place of both Victory Bonds and War Savings Certificates, the Payroll Savings Plan has been simplified, but it will still be necessary to make sure that every employee is full informed and that each individual is given an opportunity to sign up.

◆ ◆ ◆

A booklet entitled "One Good Thing" was mailed to employers some time ago. Further information will go forward to them in the near future. If you did not receive this earlier mailing please write to Canada Savings Bonds, 240 Wellington Street, Ottawa, to be sure you receive the latest information.

8 out of 10 will buy again....

Canada *Savings* Bonds

Is Prison Reform Nearer?

Penologists Hope Sask. and Ontario Will Lead Way to New Deal in Prison Administration

By HUGH AGNEW

Saskatchewan, second province in Canada to initiate reform measures in its penal institutions, has just been handed a 60,000-word set of sweeping recommendations by a special commission which spent six months getting at the bottom of the matter.

Penologists now studying the report, will hail it as a great step forward if the Saskatchewan Government implements even a few of the recommendations. They have seen the work of other commissions as far back as the turn of the century come to naught. This time they think it will be different.

They blame apathy in high places for failure of previous commissions to achieve desired results. In Saskatchewan, those in the upper brackets of government are not apathetic. Foremost among those who want to see something done is Premier J. T. Douglas.

The Laycock Commission, by which the special investigating committee is better known, takes its name from Professor S. R. Laycock of the University of Saskatchewan's psychology department, who headed it. The commission began its work last March on orders of the executive council, and wound up its studies early in September. In the interval it made a thorough enquiry of Saskatchewan's penal institutions and methods. It also reviewed the work of the 1938 Archambault Royal Commission which investigated the entire Canadian penal system and produced 88 recommendations for Ottawa's benefit.

Visited United States

The Laycock Commission visited penitentiaries and reformatories outside the province, went as far afield as the United States to look over more progressive institutions there. It enquired into British methods of handling and treating criminals, particularly the Borstal System.

In the end, Prof. Laycock and his two fellow-commissioners, Clarence Halliday and William H. Holman, produced recommendations which embraced practically all the Archambault recommendations (some in an extended form) and the best features of penology in practice in the United Kingdom and the United States.

J. Alec Edmison, K.C., Toronto, executive secretary of the Ontario Prisoners' Rehabilitation Society, regards the Laycock recommendations as broader than those of the Archambault Commission when applied to the provincial field as against the Dominion field. He singles out five features of the Laycock report which in Canada are quite revolutionary. They are:

(1) More stress placed on educational, vocational guidance and recreational programs.

(2) Greater emphasis on higher qualification standards for administrative staff members of penal institutions (university degrees required for wardens and other top appointments).

(3) Adoption of a system of probation as a form of treatment, based on England's Probation of Offenders Act.

(4) Increased pay for prisoners.

(5) Advocation of a system allowing payment of fines on the installment plan.

Penal Reform Lagging

Both Ontario and Saskatchewan are aiming at the same mark, but following different routes. In Saskatchewan, the Laycock Commission has determined what needs to be done, suggested how to do it, and has laid the business in the Legislature's collective lap for action. In Ontario, whose provincial jail system is generally regarded as far ahead of the other provinces, Premier Drew has given his provincial secretary, Hon. George Harrison Dunbar, carte blanche to go ahead and make still further improvements.

But other provinces are lagging far behind with heavy-footed penal reform programs. In Nova Scotia, there was a flurry of interest in 1933 when a royal commission looked into conditions in the provincial and municipal jails. The work of that commission bore no fruit. According to Mr. Edmison, only recently has the province begun to consider establishing jail farms to take the place of its antiquated jails.

Conditions have been bad in Saskatchewan, but if the Laycock recommendations are acted upon, that province may jump into the lead in the field, this expert told The Financial Post.

In British Columbia, authorities have been flirting with the idea of introducing England's Borstal system. A small experiment was begun in the late thirties when the province established a reform school for wayward youth, but it was called off during the war. Now it is being taken up again, may ultimately result in establishment of the system which has brought four out of five crime-bent English lads back into society.

Quebec Said Backward

Quebec is as backward as any, according to Edmison. For years before coming to Toronto from Montreal, he was deeply concerned in the efforts of that province's lone Prisoners Aid Society in Montreal to get the provincial government to undertake a prison reform program. The reply to every overture made to the government was—"No funds available."

As far back as 1934, the Taschereau Government passed an Act for establishment of a farm home for hmoeless discharged prisoners. "But nothing has been done whatsoever to implement this legislation," Edmison said.

Edmison is particularly pleased that the Laycock Commission recommended an installment system of payment of fines. "As the law stands now," he says, "we have what amounts to class legislation. The bookie with his pockets stuffed with easy money can pay an enormous fine without feeling it. The young loiterer, the rod-rider, the young fellow involved in a street brawl, even though he is a first offender, goes to jail when he has no money for a fine and thus is branded an ex-convict the rest of his life."

Eight years have lapsed since the Archambault Commission, which cost around $300,000, finished its job. Mr. Edmison said he knew of only four of its 88 recommendations which had been acted on and these only in part. The Laycock Commission is the first to have taken up the cross of penal reform since then.

"These commissions have been like voices crying in the wilderness," he said. "There's no question the Archambault report and the work of other commissions have aroused interest in the reform problem. But there has been no real progress since the end of the First Great War except a few reforms brought about by riot. Reform by riot is crude. The Archambault report deals at length with this undesirable feature."

War Is Blamed

Edmison holds that the reason nothing has been done about the Archambault report is that its first two recommendations have never been dealt with. The first was that the Canadian penal system should be centralized under Ottawa control with the provinces retaining control of only a sufficient number of institutions to provide for: (a) offenders against provincial statutes; (b) short-term prisoners, and (c) persons on remand. The second was that there should be an immediate conference between federal and provincial authorities to agree on putting its recommendations into effect.

That was back in 1938. The war intervened, but most penologists, according to Edmison, insist many improvements in the system could have been introduced despite the war. "Surely there is one socially minded statesman in the federal or provincial spheres who will insist on discussion of these first two recommendations of the Archambault report being included on the agenda of the next Dominion-provincial conference," he says.

Edmison, who claims his politics is penology (he's turned down candidacies offered by both Conservatives and Liberals) doubts that more than 12 M.P.'s could name a tenth of the recommendations contained in the Archambault report.

"Even the Minister of Justice admits he hasn't had time to visit a single institution since he received his appointment," he says.

"Our one hope of getting anything done about the Archambault report now rests with the new commissioner of penitentiaries, Major General Ralph B. Gibson, K.C., who has already indicated his intention to combine efficiency with humanitarianism. He has already shown a practical interest in the cause of prisoner rehabilitation."

The three most needed changes in Canadian penology practice he lists as follows:

(1) Crime prevention and handling of juveniles, plus further development of an efficient police force;

(2) adoption of a reformative rather than a custodial jail and penitentiary system;

(3) adoption of a scientific and practical system of state-supported after-care.

Saskatchewan, he says, has tackled these basic problems connected with crime and punishment, reform and rehabilitation, according to the trends of modern penology.

Laycock Recommendations

Here are main points in the Laycock Commission's program for prevention of crime and delinquency:

1. Place all suitable delinquents under trained supervisors in "a full probation service," instead of committing them.
2. Adopt "scientific treatment" for time servers.
3. Use parole more extensively as a stepping-stone to rehabilitation.
4. Develop an adequate system of after-care of discharged prisoners.
5. Train prison staff key personnel in criminology, sociology, psychology or education; broaden training and tighten requirements for lower ranks.
6. Establish a "division of correction" and a proper retraining program whereunder all male prisoners are committed to a "classification centre" for at least three months, there to be segregated according to individual possibilities for re-education and relayed either to "close-custody" or to "minimum security" prisons, forestry or work camps.
7. Adopt the Borstal system of training schools for delinquent boys and girls and extend its principles to adult rehabilitation.
8. Subsidize a voluntary prisoners' welfare society.
9. Add to number of juvenile court judges.
10. Pay magistrates according to responsibilities and relegate justices of the peace to taking informations and issuing summonses.
11. Engage full-time provincial director of education for penal institutions; provide ample facilities in each for vocational training, hobbies, recreation, and organize inmate committees on recreation.
12. Allow prisoners to subscribe to any newspaper published in the province, plus a religious publication.

Special Treatment

The Archambault recommendations on psychotic and psychoneurotic inmates, alcoholics and drug addicts, were followed by the Laycock commission—they should be treated at mental hospitals and similar institutions.

Prisons and jails no longer will have dungeons or black cells, if the commission has its way. Prisoners who "ask for it" would still be isolated in segregation areas, but these would be equipped to maintain health and a "monotonous but wholesome" diet would replace bread and water.

In addition to recommending that prisoners be paid up to 10c. a day—some of which would be saved against discharge—the Laycock report suggests that since "the present system of $1 to $3 financial grant on discharge is so inadequate as to induce further crime," this should be increased to provide for maintenance until the prisoner reaches home or gains employment. Amount to be determined by wardens after consultation with the institution's social worker, a parole officer and the director of chaplain services.

"Probation is not to be interpreted as leniency. It is a form of treatment chosen because it is the best way to protect society while meeting needs of the offender," the commission says. Properly supervised and helped, the offender on probation can carry on normal family life and avoid the demoralization of imprisonment.

The commission recognizes the danger of returning a criminal to his community without a careful plan for his reintegration. It stresses need of adequate guidance of parolees and a government-supervised prisoners' welfare organization.

"Unsound" is the commission's word for the present system under which convicted persons with money can escape imprisonment by paying fines, whereas the others must go to jail.

"The policy of installment payment of fines was adopted in Britain in 1914. There the court is obliged to allow time for payment of fines and for investigation of inability to pay. In 1935 the Money Payments Act made further provision for investigation of the means of the defaulters before imprisonment, and for supervision of defaulters when time is allowed for payment.

"Both these Acts resulted in a large decrease in the number of offenders sent to prison in Great Britain," the report reads. Endorsing the Archamault recommendation that the same principles be introduced in Canada, the commission went a step farther. It suggested that magistrates be allowed to remit fines in cases where payment of fines or assignment of earnings would work an undue hardship on the offender or his family.

Ontario Bean Crop To Be High, Forecast

From Our Own Correspondent

CHATHAM—Ontario's white bean crop is expected to total 1.3 million bushels, an increase of 26.9% over 1945, J. A. Garner, secretary of the Ontario Bean Growers' Marketing Board, states. Contracts have been signed with Britain for 560,000 bushels of dried white beans, dependent on the size of this year's crop.

With both acreage and yield increased over 1945, it is reported that if good weather enables farmers to complete harvesting, the current crop will be one of the best in many years.

You're Right—it's a STETSON

The name Stetson in a hat is your assurance of quality and fashion excellence. Stetson hats in Canada are made only by John B. Stetson Company (Canada) Limited, Brockville. From $8 to $20.

Illustrated above, the Royal Stetson..."Playboy" style...$10.50

STETSON — THE WORLD'S MOST FAMOUS HAT

H.M.C.S. WARRIOR first carrier in the Royal Canadian Navy is equipped with Firefly two-seat reconnaissance fighters

8/9

During the war eight out of every nine British Naval Aircraft were Fairey Types . . .

The Fairey FIREFLY, for long the standard two-seat reconnaissance fighter in the Royal Navy, is now in service with the Royal Canadian Navy and the Royal Netherlands Navy.

Thus, three of the world's navies are now equipped with this famous aircraft.

FAIREY

THE FAIREY AVIATION CO. LTD., HAYES, MIDDLESEX, ENGLAND

PROTECTING A HERITAGE

R. M. BROWN, President
Canadian Society of
Forest Engineers

"There is a renascence of forestry thinking in Canada in this post-war period. For example, there is a fuller realization of the serious threat to the forests of tomorrow from continual depredations of fire, insects, and disease. It is an amazing fact that such wastage far exceeds the annual wood consumption of all Canadian pulp and paper mills although the pulp and paper industry alone exceeds in employment, net production, exports, and capital invested, any other manufacturing industry in Canada. Curtailment of the forest hazards of fire, insects, and disease is essential to the maintenance of our forest heritage, and of our forest industries. It will benefit every Canadian".

RMBrown

FOREST CROP CONSUMPTION
10 YEARS ENDING 1943

	Per cent
Fire, insects, and disease	26.6
Pulp and paper	16.7
Pulpwood exports	4.1
Firewood	22.6
Logs and bolts	27.2
Ties, poles, posts, etc.	2.8
	100.

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The Financial Post

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Our Exports Hamstrung by U.S. Customs Men

Arbitrary Tariff Rulings Block Trade Worth Millions of Dollars

By KENNETH R. WILSON

Issue will soon be joined in one of the most portentous life-or-death battles in Canadian economic history . . the battle against the "dead hand" of United States customs administration; the so-called "invisible tariff."

On the outcome may depend the difference between "full" and indifferent industrial employment in this country. Tens of thousands, perhaps 100,000 jobs are at stake—jobs which could be distributed across the length and breadth of Canada and which add up, in total, to millions upon millions of dollars worth of trade.

The point of attack is a system whereby score upon score of legislative and administrative barriers now hamstring the intent and purpose of trade agreements. For example:

> Rubber tires are supposed to enter the United States under a 10% tariff rate. At least that's the impression a manufacturer would get by thumbing through the U. S. tariff schedules. But when you come to ship present-day synthetics to the U. S. you find there is an administrative joker in the customs woodpile. You find that tires aren't tires; that customs authorities run their eyes down a long list and come out with the screwball answer that tires are really "articles made wholly or in part of graphite (carbon black)"; or, if they are truck tires, that they may be "articles made of rayon."
>
> So you, Mr. Canadian manufacturer, pay not 10% but 30%, or perhaps more, to get your product into the United States.

Canada Has Offended

Of course, the United States is not the only country in the world which uses customs procedure to gum up its import trade. Such tactics are found in every country. Canada was rated one of the worst offenders when arbitrary valuations were used back in the 30's to shut goods out.

But it is now believed demonstrable that the United States—now loudest in its protestations concerning the freeing of trade barriers in postwar commerce—is by all odds the worst offender when it comes to using its customs machinery as a head-on barrier to importation of other people's goods. So great an offender, in fact, that unless something can be done about it, there seems little purpose in talking glibly about another and prospective 50% cut in the U. S. tariff rates. What's the use of a low tariff, it is asked, if customs administration, backed for the most part by legislative or statutory authority, acts to shut out imports willy-nilly?

In Canada, businessmen and government officials have reached the conclusion that something must be done about it; that this issue should and must spearhead any approach toward freeing trade barriers between the Dominion and the United Staes. Industry and traders in Canada have been putting their case to Ottawa week after week for several months. Their complaints have been lodged with a special Trade and Tariff Committee created by the Government last January and chaired by Tariff Board Chairman Hector B. McKinnon. When the work of this committee was completed a few weeks ago, it was found that this complaint against the U. S. customs administration stood out as the Number One Gripe of Canadian business as it sought re-entry into world markets following war's end.

Objections Coming Up

The British are equally concerned over the same problem. Thus it is expected that when the International Trade Conference opens preliminary hearings in Ottawa this month, both these countries will [illegible] launch objections and complaints. (Of [illegible] interest in this regard are the [illegible] proposals for discussion at this conference. These, as amended within recent weeks, take official cognizance of the matter and suggest various means for reaching solution.)

Background of this complaint is largely this: in 1935 and again in 1938 Canada made important reciprocal trade agreements with the United States, aimed primarily at the prohibitory Smoot-Hawley tariff passed by Congress in 1930. In part they represented an attempt by the United States to offset the trade alignment of Commonwealth countries following the Ottawa conference of 1932. Out of these agreements would come, it was hoped, a greatly increased flow of goods between the two countries.

True, there were gains on either side—especially in items put on the free list. True, also, the war upset implementation, in full, of new tariff arrangements following the 1938 pact, which came into effect only on Jan. 1, 1939.

New Change of Heart

But with due allowance for these factors, the overwhelming Canadian view, gained after long and intensive study over the past eight months, and based largely on first-hand information submitted by scores of industries and manufacturers, is this:

> **That nothing short of legislative action and a complete change of heart on the part of U. S. Customs Administration can bring to Canada trade benefits clearly intended from present and prospective reciprocal trade agreements.**

Both the "change of heart" and the "legislative action" are stressed at Ottawa. Canadian experts feel that the U. S. Customs Act as now operative, is designed primarily to keep goods out, rather than let them in.

In this respect it is thought to be in almost direct conflict with the earnest efforts (going back now to the Hull program of the early thirties) of State Department officials at Washington to liberalize protective machinery and let goods in. Added to this, the matters about which most Canadian complaint centres are thought to be matters governed by statute rather than administrative discretion. Only by a direct Act of Congress can a remedy be found. Unlike the presidential authority to reduce tariffs by 50%, without further Congressional approval, the barriers which Canada now seeks to break down centre, apparently, on Capitol Hill.

Speaking generally, the nub of the problem is found in analysis of Canada's exports to the United States. Though in 1938 we shipped (according to U. S. figures) roughly $257 millions of goods and materials to that market, the great bulk (75%) were items like newsprint, shingles, seed potatoes, etc., which the Americas badly wanted and which went in free of duty or major customs difficulties. Only $68 millions of trade was able to jump the tariff and administrative barriers. For two countries which boast (in peacetime) of doing close to $1 billion worth of trade with each other, this $68 millions figure looks pretty small. Even in 1939 the corresponding figure had risen only to $111 millions or about one third of our total exports to the U. S.

Complaints Broken Down

More specifically, the Canadian complaint falls into several chief categories:

1. Special or "arbitrary" classification of tariff items (the case of rubber tires has already been mentioned).
2. Valuations for duty purposes.
3. Legal delays.
4. Difficulties of obtaining binding decisions.
5. Marks of origin.
6. Sanitary embargoes.
7. Burdensome formalities.
8. Penalties.

The complaint Canadian business makes is not, of course, new to the Americans. (What will be new will be the chapter-and-verse documentation of our case and the association of this case as a direct quid pro quo for tariff concessions.)

Only last year a writer in The Saturday Evening Post explored the anomalies of the U. S. Customs Administration under the title, "Alice-in-Wonderland Court." He put his finger on the root of the trouble when he wrote:

> "The seemingly zany questions and apparently cockeyed answers pop up mostly because our tariff acts and customs laws are strange and awesome creations. Congress spasmodically gives birth to new tariff acts conceived in a bedlam of log-rolling, clamoring by pressure groups, pulling and hauling by special interests and under-the-counter deals. Many provisions of the tariff acts have less to do with logic and sound economics than with who gets the firmest grip on a Congressman's ear. The inevitable result is that there is probably no other set of laws so studded with inconsistencies, omissions, contradictions and plain howlers."

One Got a Break

Occasionally this confusion and obscurity works in favor of an enterprising importer. Thus the case is cited of an American who bought a mineral spring in Canada, planning to bottle the water and sell it in the United States. Too late he discovered there was a duty of 15c. a gallon on imported water. This, on top of other costs, put him in the red. He is reported to have taken his case to a knowing customs lawyer who thumbed his way through the Act and came out with the advice: "Freeze it." He had found that under Paragraph 1696, ice enters the U. S. free.

Another case where a customs collector really worked to let something in was the case of an American who had been drowned while fishing in Canada. His body was being shipped home for burial in a coffin. But it couldn't enter the U. S. until an appropriate item in the Customs Act had been uncovered. What the Customs man did in this case was to classify the body as "an American product, not advanced in value or improved in condition." Under this classification it came in free. As well, the collector admitted the coffin without charge on the theory that it was "the usual container" for such goods.

Most would-be traders aren't so lucky. Take, for example, the case of Canadian agricultural implement manufacturers.

To look at the U. S. Customs Act, you'd suppose that Canadian agricultural implements and parts enter the U. S. duty free. But there is a big joker which costs Canadian firms a lot of business in the course of a year; may eventually cost them this market entirely. Implements and parts may enter the U. S. duty free **only** if they are not specifically mentioned in the main schedule of duty items. This means that nothing is an implement "part" unless the shipper can prove it cannot be used separately. If any implement "part" can be used separately (for example, a belt, a chain, a rivet, a bar or a knife) it must pay full duty, which in most cases runs to 35%.

In practice, this means then that even if a Canadian firm made an initial implement sale in the U. S. it would be handicapped by inability to service the machine and supply parts except under very high duty rates.

For example: a new motor for a Canadian power implement sold in the midwestern states had to be shipped to replace one which had burned out. The motor got soaked 25% or more duty, though the intent of the law was quite clearly that it should enter free.

Then there is the classic matter of rugs. These come into the United States at 45% duty. But anyone who tries selling a rug with a fringe round it finds that he is no longer shipping a rug but "an article made in whole or in part of fringe." Result: duty 135%.

To prove the absurdities to which classifications of this type may go, a very able New York expert recently wrote a skit entitled "Mr. Skidmore Imports a Rug." This skit, reportedly based on legal fact, tells how a shrewd American department store owner and manager bought a small Turkish rug in Constantinople with the idea of bringing it back for his own use and enjoyment. He knew the duty rate on rugs was 45% but as he had paid only $100 for the rug and knew it would be worth at least $350 in the United States, he did not worry. Knowing something about the difficulties of U. S. Customs procedure, he made sure of getting a receipt from the seller and, before leaving Europe, turned it over to an express company, paid the duty and left instructions for it to be sent direct to his home in the U. S.

To make a long story short, Mr. Skidmore's rug turned out to be not only an article with fringe (liable to 135% duty) but the transaction proved to have violated a score of hidden or unsuspected Customs rules and regulations. Instead of $45 duty as he had anticipated, the mythical Mr. Skidmore found himself faced with a fantastic bill of $1,537.50 before he could legally extract himself from the clutches of the Customs. It is not claimed in the story that this did actually happen, but it is claimed that everything that supposedly happened to Mr. Skidmore **might** have happened to anyone who had acted under similar circumstances.

One feature of the U. S. administration which underlies all shipments of goods into the United States is the cumbersome and inflexible system of appeals. In Canada appeal against a ruling may be made directly to the Department of National Revenue and dealt with at once by a senior official or, if necessary, the Deputy Minister. If the party is still not satisfied, there may be direct and usually prompt appeal to the Tariff Board.

But in the U. S., port officials are virtually a law unto themselves. Appeals from their individual decisions, it is claimed, take from three to nine months, may indeed drag on for years and years. There is, for example, the celebrated British Pitcairn chinaware case, involving an appeal against a customs ruling. The ruling was to the effect that the British 100% purchase tax must be added to the declared value, for duty purposes. The Pitcairn case has been before the courts now for four years and was disposed of only a few weeks ago.

Meanwhile, and this is very important, U. S. Customs collectors are within their rights in applying the original high rate of duty, irrespective of what the courts may or may not eventually decide. Thus each individual entry tends to be adjudicated on its own merits and without reference to exactly similar cases which may be before the courts.

Duty valuations are another headache to would-be Canadian exporters. Here are a few typical examples:

1. The U. S. Customs requires prices for duty purchases to be those charged for "usual wholesale quantities." But the border practice is to use (for valuation purposes) the number of transactions rather than the volume of goods sold. Thus a firm which sold 90% of its output to a few key distributors at say $5 per item, but which sold the remaining 10% at $7.50 to a number of small outlets would find itself charged duty on the $7.50 price for its entire export. In Canada, normal customs procedure is to accept the distributor's price and base the valuation for duty purposes on that price.

2. Goods must be "freely offered for sale." But it is claimed that since an airplane, for example, is not "freely offered," say in hardware stores, except at the retail price, the retail price rather than the dealer price governs for duty valuation. This is said to be particularly hard on companies who want to sell goods through their own dealer outlets in the U. S. in order to provide servicing, etc. Under such rulings, the profit normally made by the dealer and/or the distributor is added to the price on which the duty is charged.

3. Even the final settlement of the long-drawn Pitcairn case (mentioned above) in favor of the British exporter, does not prevent U. S. Customs collectors from adding in the Canadian and purely domestic sales tax when figuring valuation for duty purposes.

Another whole series of problems and difficulties arises because of legal delays. A classic example is said to concern a Canadian manufacturer of parachutes who, during the war, and in a moment of good will, shipped a bundle of waste ends and cords across the border for use by Boy Scouts. Because some value had to be placed on the waste for duty purposes, the nominal figure of $5 was stated. A zealous appraiser rated them not as being worth $5 but as worth $475, and ordered collection of $750 duties.

A lower court upheld the appraiser's decision. Later (much later) the lower court's view was reversed. The instance occurred back in 1940. It took six years to get the matter finally settled.

These long delays may often be much more serious than the actual rate of duty. This applies especially to seasonable or style goods like dresses, or to perishable foodstuffs. The claim is made that delays have cost individual Canadian shippers both money and markets since, by the time the merchandise is cleared, it may no longer be saleable at anything but bargain prices. The frequency of "administrative delay" is said to be so widespread as to make a number of Canadian manufacturers believe it has become a matter of official policy.

Regulations respecting marking of goods are also cited by Canadian businessmen as the most frequent source of friction at the border. Country of origin is said to be demanded even in the most unreasonable cases. One instance cited is that of dice, which the U. S. customs ruled must be marked "Made in Canada" on each piece, regardless of how this affected saleability or playing qualities of the product. This case was subsequently appealed and the appeal sustained. Another instance was the requirement that every single piece of lath in a shipment be stamped "Made in Canada."

Another set of barriers caused by local or state regulations has proved costly to Canadians. Thus the tariff concession granted Canada on cream in the 30's has proved of no value whatever to Ontario or Quebec farmers bordering New York state, because New York state will permit no milk to be sold within its borders unless inspected. And inspectors are not permitted to make any inspections outside state boundaries.

To Canadians seriously seeking ways and means of lowering world trade barriers, and hearing similar sentiments from like-minded U. S. officials in the State Department at Washington, these restrictions make no sense. What can be done about it is a tough problem. Perhaps, fortunately, it is not Canada's problem. Our problem, as seen by Canadian businessmen and officials, is to provide overwhelming evidence that some change is overdue and imperative.

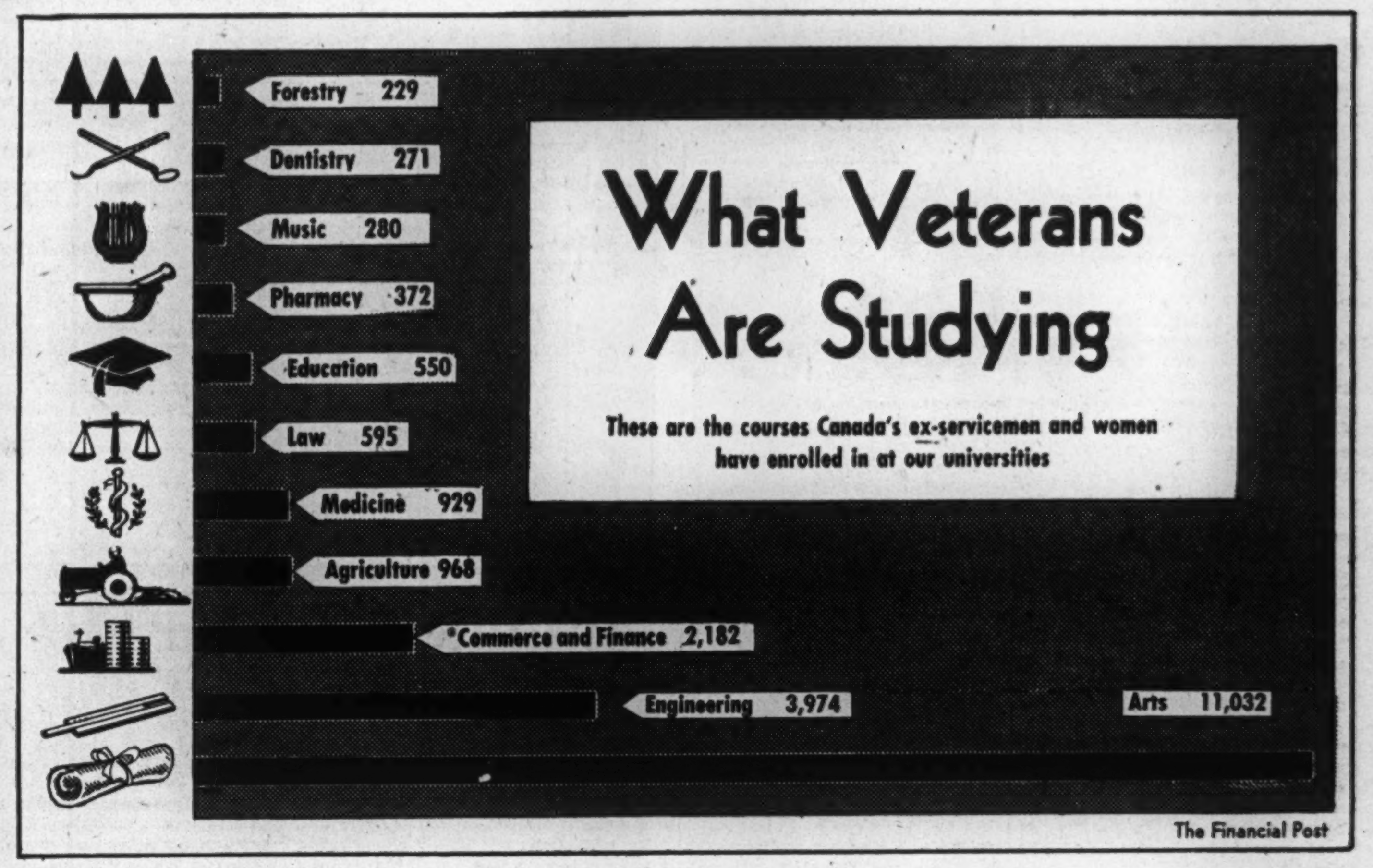
Canadian businessmen can't calculate duty on goods they ship to the United States by reference to tariff schedules, because the men who administer U. S. customs regulations can make their own arbitrary decisions. Here are some of the "invisible tariff" walls:

1. Arbitrary classification of items for duty purposes. (Rubber tires can enter the United States under a 10% tariff rate but U. S. customs authorities classify them as "articles made wholly or in part of carbon black" and the duty becomes 30%.)

2. Valuation of goods for duty purposes. (Waste ends of parachute material, shipped as a gift to U. S. Boy Scouts, were valued at $475 by one official. Result: duty of $750 charged.)

3. Goods must bear mark of origin. (One U. S. customs man demanded that each lath in a shipment of hundreds of thousands be individually stamped "Made in Canada.")

Other "jokers" in customs administration are explained in the accompanying article.



What Veterans Are Studying

These are the courses Canada's ex-servicemen and women have enrolled in at our universities

How Are Veterans Doing In their University Studies?

Seventeen Out of Twenty Rhodes Scholars This Year Were Ex-Servicemen; College Failure Rate Drops From 25% to 10% Because of Veterans' High Marks.

By RONALD WILLIAMS

A few days ago 20 Canadian Rhodes Scholars, the cream of this country's 1945-46 university crop, sailed on the Queen Mary for England to continue their studies. Seventeen were war veterans.

In the past week a score more veterans headed across the border to take up fellowships and scholarships at various U. S. universities—Harvard, Yale, Princeton, Johns Hopkins.

Half a dozen ex-servicemen graduates are taking up positions as lecturers at smaller United States colleges. Close to 200 other student-veterans are about to resume their studies on Canadian scholarships won during the 1945-46 year.

These are some of the outstanding achievements of Canadian veterans who elected to return to school after discharge. In any interim balance sheet of Canada's $125 million university rehabilitation program for war veterans they stand out prominently on the credit side.

Raise Pass Level

Not quite so eye-opening to the layman but perhaps more significant academically, are other credit factors like these:

Average number of failures at one university reduced from 25% to 10% because of the good standing of ex-servicemen.

Pass standing 8% better for veterans than for civilian students.

Twice as many veterans as non-veterans passing with honors.

Failure casualty rate 9.1% for veterans in first year science and engineering in the April finals at another college, compared with a previous 17-year average failure rate of 24%.

All first year scholarships at University of Toronto Law school won by veterans; one out of three in second year; three out of five in third year.

Two fellowships in History, one in political Economy at U. of T.'s School of Graduate studies, won by ex-servicemen; history awards going to a former army captain and RCAF (WD) section officer, the other to an army lieutenant.

Value Received

These are some more impressive academic accomplishments of the alumni of Canada's fighting forces. They speak for themselves in any attempt to assess the value being received for the money Canada is spending to give veterans who want it, a chance at higher learning.

Up to March 31, the university-veteran bill was $62 millions. Estimated cost for 1946-47 is $53 millions; for 1947-48 and wind-up of the scheme, $67 millions. Total estimated cost of sending approximately 40 million war veterans to college, nearly $200 millions.

The cost in itself is staggering—approximately $5,000 for every one of the 40,000 veteran-students. But in relation to the estimated total cost of $1.2 billions for all World War II rehabilitation plus the return in cultural development, career and citizenship training, Canada is more than getting her money's worth on a purely dollar-and-cents basis.

Add to the credit side of the ledger, the long-range intangibles of university education, culture, understanding, character development, logical thinking, greater career-potential, and the assets of the government's higher education scheme build up into a sizeable surplus.

Evidence of these intangible assets are glowing tributes coming from universities all over Canada to the determination. resourcefulness, and intelligence of Canada's war veterans; their attention to their studies, even to the exclusion of normal school activities.

There is proof in the case histories of irresponsible pre-war students who, after the war, returned to become models of university behavior and achievement. One such case is reported by the University of New Brunswick. In 1939, the student was one of the most disturbing influences on the campus. He disrupted his course and appeared to have about as much chance of winning a Rhodes Scholarship as a fifth former has of understanding the Einstein theory of relativity.

He served five years overseas, was wounded twice and last year returned for his senior year, a changed man in every respect. Today he is a Rhodes Scholar, one of the 17 veterans now en-route to Oxford to finish his education.

One of Toronto's newest lawyers was taken prisoner at Dieppe. Behind barbed wire, he got hold of a first year law correspondence course through the Red Cross and studied it until released. This year he graduated from Osgoode hall.

"Has Proved Value"

Dalhousie University through its registrar, Alex S. Mowat, declared the Department of Veterans Affairs scheme for higher education for veterans "has proved its value over and over again." As an example, "an outstanding case" is cited.

A young man completed his high school in 1937 and after serving throughout the war, resumed his studies during the past session. He did exceptionally well winning the Waverley Prize for first place in second year Mathematics.

Veterans are being offered some of the best positions in all professions. University of Saskatchewan which has kept a detailed record of all its veteran-students, reports one Rhodes scholar; scholarships or fellowships to 87 other veterans.

Positions accepted by or offered to U. of S. ex-servicemen-graduates include: Instructors in Pharmacy at the U. of S.; Instructor at Ontario college of Pharmacy; temporary instructor in English at Victoria College, Victoria, B.C.; teaching fellowship at Toronto and California; English instructor at Regina college; two studentships, one bursary from the National Research council; Research fellowship University of Chicago.

Bring New Spirit

University heads say veterans have brought a new spirit, a freedom from inhibitions and a marked willingness to accept responsibility to the campus. Their academic achievements, they add, are even more notable in view of the austere conditions under which most of them live.

Out of 2,470 who have discontinued their courses since the scheme got under way in 1945, only nine quit from lack of funds. The biggest withdrawal was due to acceptance of jobs. This is taken by some as an indication of the near-poverty of the young veteran-student. Penniless most of the time, unable to afford entertainment, 841 have succumbed to the lure of an easier, more comfortable life now. Next largest group (397) are those who transferred to vocational training . . . another hint that the financial problem was becoming acute. The average veteran vocational student is ready to go to work after about a year. The minimum university course is four years, although veterans, by working the year 'round, can finish in 32 months.

These young ex-solders, sailors and airmen are virtually revolutionizing campus life with their fearless discussion and lack of inhibitions. M. F. Gregg, president of the University of New Brunswick, says: "They quickly worked out their own technique for study and living. They are studying in a way that has not been observed at U.N.B.

(Continued on page 21)

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FINANCIAL POSITION
DECEMBER 31, 1945

Assets
$8,993,461.00

Liabilities to the Public
$4,755,524.00

Capital
$750,000.00

Surplus above Capital
$3,487,937.00

Losses paid since organization
$87,768,985.00

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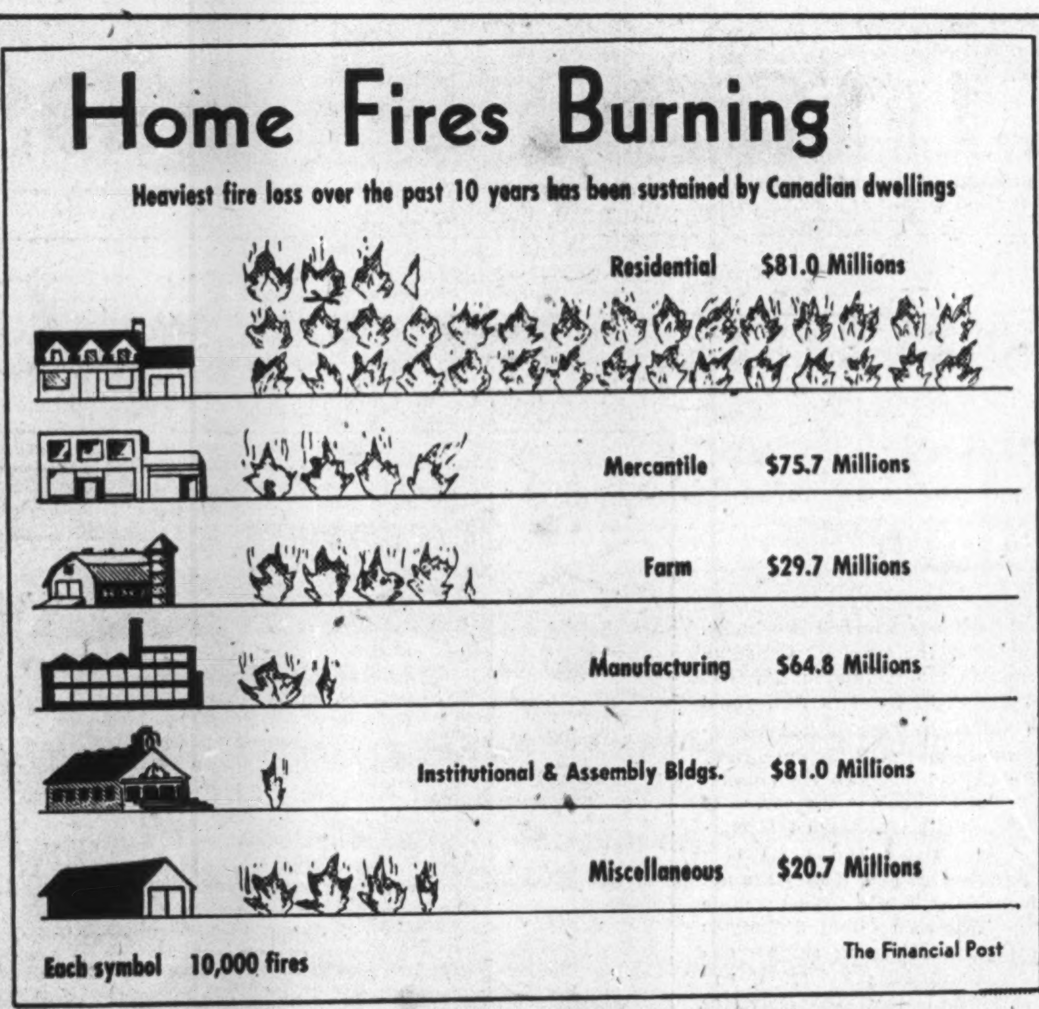

Home Fires Burning

Heaviest fire loss over the past 10 years has been sustained by Canadian dwellings

The Financial Post

Continued Rise in Fire Losses To Bring Higher Insurance Cost

Canadian property-owners will pay a higher premium rate for their fire insurance if the present rate of fire losses continues, insurance company executives tell The Financial Post. For five years the trend of losses has been rising, and this can only have one result, experts say.

If losses continue to the end of the year at the rate established in the first nine months, in spite of some improvements in the summer months, many companies expect to show a deficit on their 1946 operations. Actual premiums paid in will be about the same as in 1945, but the burning ratio will be higher, they estimate. Present forecasts, of course, they point out, may be upset by the experience in the last four months of the year, but that is considered unlikely.

The total amount of premiums paid in 1946 would probably have been considerably larger than last year were it not that a substantial volume of three-year renewal poli[illegible]tten in 1945 is lacking this [illegible]

[illegible]1941, due to a change in the law, stock insurance companies for the first time wrote fire insurance on mercantile properties for a three-year term and in 1942 a still larger number of policies were rewritten on a three-year basis. These all came up for renewal in 1944 and 1945, reducing the amount of business which might otherwise have been written in 1946.

New Business High

The decline in total premiums due to this cause this year, however, has been offset, to a large extent, by a large volume of new business on new construction and increased inventories of goods and materials. In addition there was a definite trend among property-owners to increase existing fire insurance to provide for the higher values of houses and other buildings.

This question of "insurance to value" has been one of the headaches of the fire insurance companies, since property values advanced so sharply during the war years. It was accentuated by the fact that property owners, insured for a three-year term on either residential or business property, have in many cases not reviewed their insurance in the interval, and consequently have found themselves underinsured when a fire came.

For example a house bought for $7,000 in 1942 would probably cost $10,000 to rebuild today. If the insurance policy has been rewritten at the 1942 value, and a fire totally destroys the house, the owner gets only the $7,000 but has to pay $10,000 to rebuild.

The same thing happens as regards the contents of the house. Furniture and furnishings cost considerably more now than they did a few years ago and, accordingly, if the insurance has not been revised, the owner will take a heavy loss.

An estimate made a few months ago by a large insurance group indicated that in Canada the bulk of Canadian residential property was underinsured by about 45%. Furniture and house furnishings on the average were found to be insured only to about 50% to 55% of their replacement value. Residential properties on the average were insured up to about 60% of actual cash value. The same situation exists to a lesser extent in mercantile properties. But underinsurance is less of a problem here than in residential properties. Businessmen generally are more alert to the possibility of loss on their business properties. Moreover business property policies usually contain a coinsurance clause by which the owner agrees to keep his insurance up to a certain stated percentage of the actual value, say 80%. This helps to make him realize what his property actually is worth. The premium is usually lower where there is a coinsurance clause, but residence policies seldom contain a coinsurance clause.

Insurance losses are usually adjusted on the actual cash value at the time of the loss, the indemnity limited, of course, by the amount stated in the contract. So that, in event of a building being totally destroyed, the loss to the owner may be heavy.

Company Takes Loss

In the case of a partial loss the insurance company suffers. Suppose your household effects are worth $3,000, but you insure them for only $2,000. You pay premiums for $2,000 insurance. Then fire may damage the contents of, say, two rooms in your house to an amount of $600. Normally you will be indemnified for the whole $600. But the premium received by the company is equal only to two thirds of the correct premium and, consequently, the proportionate loss to the company is higher than it should be. The same thing happens when the house itself is underinsured. As most city residential fires result in only partial damage on which the full loss is paid the result is serious for the insurance companies.

The increased costs involved add to the cost of insurance. However it is understood that in recent months many property-owners have increased their insurance protection more nearly to actual values.

Fire losses in 1946, it is estimated, will be above the 1945 level of $42 millions. In late summer, the rising trend in fire losses appears to have been checked, but the coming of colder weather and the operation of heating apparatus is expected to see the burning ratio back again to that of last spring. Some company executives predict a substantial underwriting loss on their 1946 operations.

Expenses also have been higher, due to various reasons including the proportion of inexperienced help. Premium rates, however, have remained unchanged.

Fleet Mfg. Deal Completed Sept. 16

Purchase and exchange of Fleet Aircraft shares for Fleet Mfg. & Aircraft Co. shares was completed Sept. 16 by Vincent Corp., The Financial Post understands. Cheques for payment in full of $9 a share were forwarded to shareholders who elected to take the cash offer and two new Fleet Mfg. & Aircraft shares were forwarded to shareholders who wished shares in the new company.

Shareholders of Fleet Aircraft who did not deposit their shares with the trust company for cash or exchange should now forward them to the Premier Trust Co., Toronto, for exchange into the new Fleet Mfg. & Aircraft shares on the basis of two new for one old, The Financial Post is told.

The Toronto Stock Exchange has ruled, effective Sept 17, that two new shares of Fleet Mfg. are good delivery against sales of one old share of Fleet Aircraft Co.

Shareholders Approve Walker's Stock Split

Shareholders of Hiram Walker-Gooderham & Worts Ltd. approved splitting the common stock on a four-for-one basis. In favor were votes representing 385,841 shares; against votes representing 1,548 shares. Shareholders will be notified when the subdivision becomes effective in the issue of supplementary letters patent, it is stated.

With 724,064 no par value common shares outstanding, 2,896,256 new common shares will be issued. A dividend of 30c. a share is expected to be paid on the stock, Dec. 15, 1946. This is equal to annual rate of $1.20 a share as compared with the equivalent of $1 a share on the share after giving effect to the split.

War Assets Corp. Offers Rails and Barge Parts

Domestic and export buyers are invited by War Assets Corp.'s Ottawa office (export sales division, No. 4 temporary bldg.) to bid on purchase of 300 tons of steel rails, 180,000 lb. petroleum mineral jelly and spare parts for nesting barges, Trade and Commerce Department's Commercial Intelligence Journal announces.

Offered are: (a) 300 tons of new 75-lb. BSS steel rails at Vancouver, mostly 39 ft. long, some 36, 33 and 30 ft.; (b) 180,000 lb. petroleum mineral jelly in tanks at Winnipeg and 385-lb. drums at Nobel, Ont.; (c) seven sets of spares for Phoenix steel nesting barges at $3,000 each, unused and now in CNR Scarboro (Toronto) yards. Each barge "set" contains 3 centre-section pontoons, 3 rake-end pontoons, deck panels, coamings, fenders, hatch covers, etc. From these, a five-section barge could be assembled, leaving surplus material; but, it's suggested, the spares would be of more value to present owners of such barges, who "could add extra centre sections for use in quiet waters."

Public Utility Earnings

Mexican Light & Power

	June 1946	June 1945	Incr. %
Gross earns ..	$1,550,969	$1,166,729	32.9
Oper. exps. & deprec.	1,297,705	1,036,228	25.2
Net oper. inc.	253,264	130,501	94.0
Int. & sink. fd.	190,000	201,954	...
Net earnings .	63,264	*71,453	188.0
Six Months:			
Gross earns. ..	9,073,583	7,102,467	27.7
Oper. exps. & deprec.	7,457,192	5,859,739	27.2
Net oper. inc. .	1,616,391	1,242,728	30.0
Int. & sink. fd.	1,170,000	1,211,724	...
	446,391	31,004	1,339.0

The above figures are subject to final adjustment when the annual accounts are made up.

*Deficit.

Stewartville Hydro Tunnel Is Completed

Boring of the diversion tunnel at the new Stewartville development on the Madawaska River of the Hydro-Electric Power Commission of Ontario has been completed, and work in connection with the concrete entrance portal is now under way, it is stated.

The tunnel, of a horseshoe type, about 515 feet long and 30 feet in diameter, will accommodate the entire flow of the river. Including approaches its building entails excavation of about 41,000 cubic yards of rock and 40,000 cubic yards of earth. When the dam and powerhouse have been constructed, the tunnel will be closed off by steel gates and the section immediately under the dam will be filled in with concrete.

To provide for dewatering of the area where construction must be carried out in the dry, two cofferdams will be placed, one upstream and the other downstream from the site of the main dam. The upstream structure will be built first and will deflect the course of the river to the entrance of the diversion tunnel.

The main dam at Stewartville will be approximately 900 feet long and will rise a maximum of 200 feet above its rock foundation. The powerhouse—both sub and superstructure of concrete—will be located immediately below the dam and, abutting the left bank of the Madawaska, will form part of the structure. The headworks will be incorporated in the dam and three steel penstocks, 192 feet long and encased in concrete, will convey the water directly to the scroll-cases of the turbines. Operating under a head of 150 feet, the three generating units will have a total capacity of 81,000 h.p.

The flooded area for the Stewartville development will extend back to the tail-race of Hydro's Calabogie plant, 12 miles upstream.

The Stewartville generating base is expected to be a valuable additional source of power for eastern Ontario, and to fit into the grid system which the Commission is developing to provide better facilities for interchange of power throughout its southern Ontario system.

HAMPSTEAD, QUE., sold last week $134,000 of 30-year serial bonds at a net average cost of 2.924%. Underwriting this issue was a syndicate headed by L. G. Beaubien & Co., and the Royal Bank of Canada. The $40,700 of 2½% serials maturing in the first ten years and the $93,300 of serials maturing in the last 20 years were sold at 97.36. Bonds are dated July 1, 1946, and may be redeemed by anticipation. The loan was incurred for the building of a municipal garage, purchase of snow removal equipment and other public works.

STANDARD CHEMICAL CO. has notified Montreal Stock Exchange that shareholders have taken up 57,213 shares under the recent offering of rights. In accordance with the underwriting agreement, W. C. Pitfield & Co. have purchased the balance of 92,787 shares.

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30A

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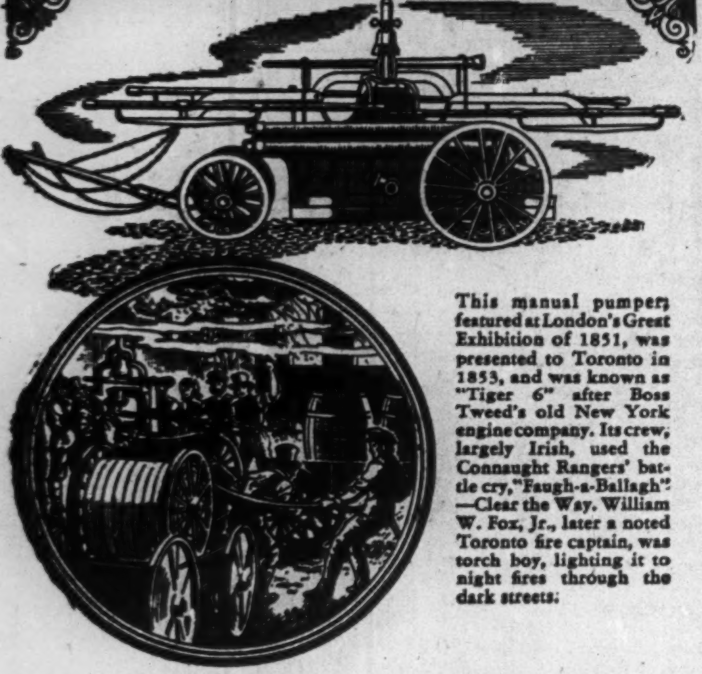
GORE SURVEYS *Fire Protection* IN CANADA



This manual pumper, featured at London's Great Exhibition of 1851, was presented to Toronto in 1853, and was known as "Tiger 6" after Boss Tweed's old New York engine company. Its crew, largely Irish, used the Connaught Rangers' battle cry, "Faugh-a-Ballagh"—Clear the Way. William W. Fox, Jr., later a noted Toronto fire captain, was torch boy, lighting it to night fires through the dark streets.

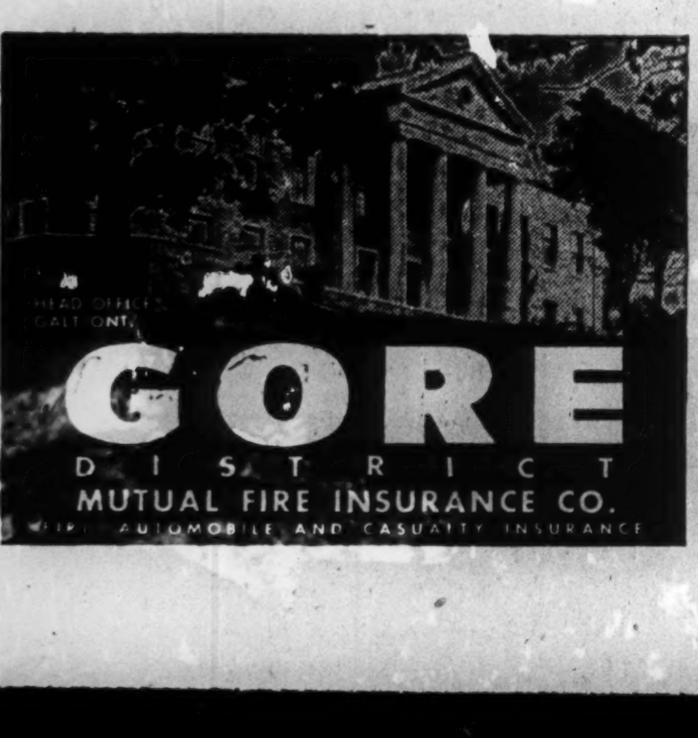
How Fires were fought in the 50's

DURING the 1850's, even in large Canadian cities, the manual engine, whose "brakes" or pump-handles were worked by muscle-power, was still the only means of obtaining water pressure to fight fires. But it had been greatly improved.

The bucket line was superseded by carters who hauled water to the fire in wooden puncheons at so much per trip, with prizes for those first on the spot.

Engines and hose reels (winding-drums mounted on light wheels) were hand drawn; ladders were carried. Volunteer fire companies were friendly rivals, whose picturesque dress uniforms brightened parades and social gatherings.

Many buildings were uninsured. But the GORE Mutual, founded by men of the Gore District in 1839, was rapidly reaching out through Upper Canada in an expansion which was to continue into a new century, keeping pace with the progress of a Canadian Confederation as yet unborn.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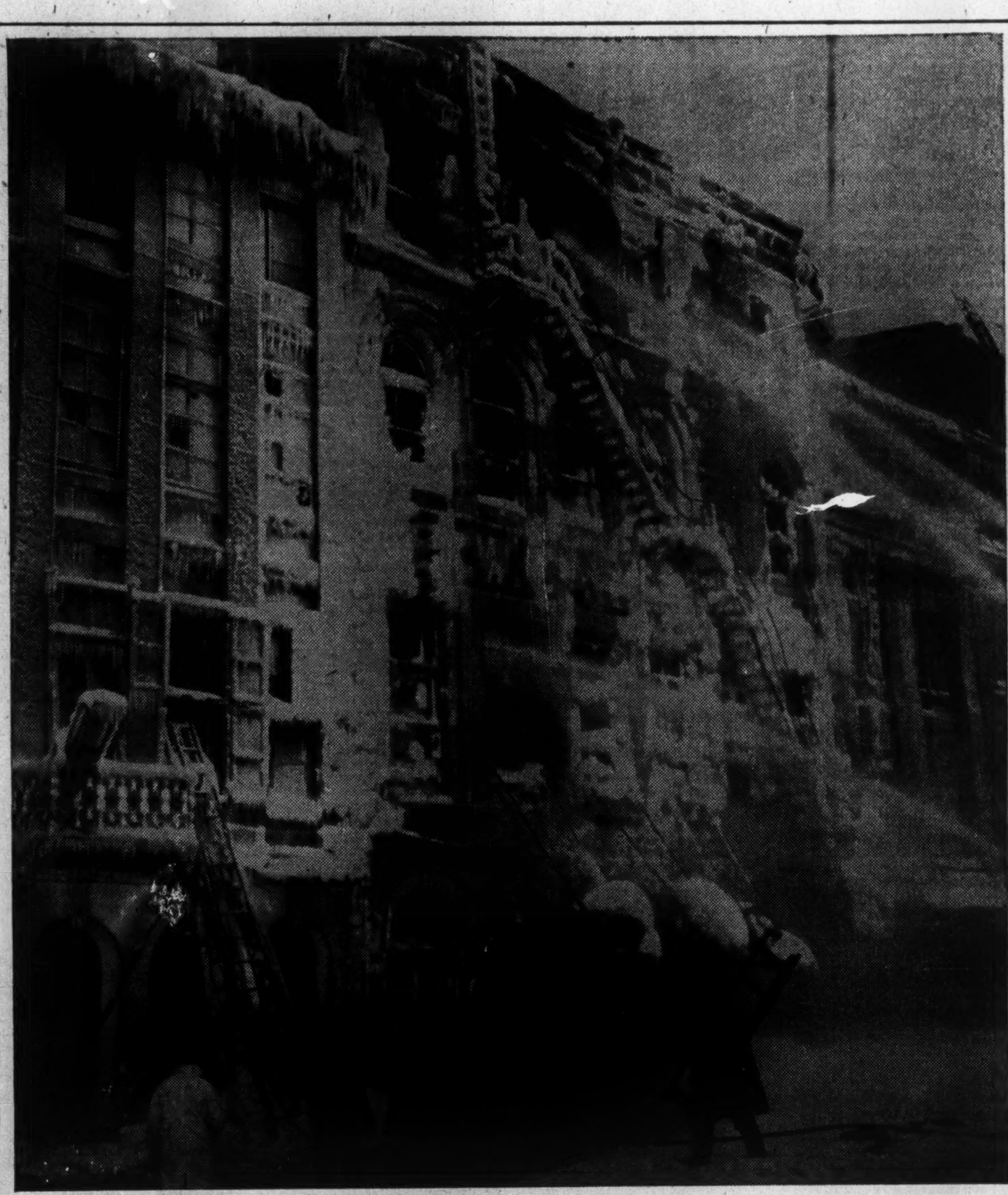

More than $60,000 damage was done and many people thrown out of employment when this large warehouse was gutted by fire at Montreal. Zero weather, covering the ground and ladders with ice, handicapped the fire fighters seriously. In Canada generally, fire takes heavy toll each year, in 1945 destroying almost $42 millions of property (highest since 1932), and 391 lives. In the last 10 years, property losses totalled $291 millions and fatalities 3.006.

Fire Prevention Fights Inflation, Helps Output

During the war years the vital need of materials and equipment for the armed forces made everybody realize that fire prevention was a patriotic duty—in wartime.

Armed services, private industry and individuals alike, enthusiastically accepting the principle that nothing should be allowed to impede production of essential goods, organized to fight the fire menace.

But since the war's end, however, there has been a relaxation of effort in many quarters and a complacency regarding fire waste which, if unchecked, points to a highly dangerous situation, emphasized by the rising trend of fire losses.

Total property losses in 1945 were almost $42 millions and present estimates are that the 1946 total will be still higher. Fire fatalities in 1945 were 391, probably higher in 1946.

Duty in Peace as in War

To Canada a young country, eager to increase her population, faced with acute shortages of goods and materials, and threatened with inflation, this situation presents a definite challenge that fire prevention is a patriotic duty — in peace as well as in war.

Shortages of goods are admittedly an important factor in inflation and accordingly, it is all-important that fire waste should not be allowed to interfere with production or cause an unnecessary demand by destroying existing property which has to be replaced.

While fire losses have been distributed among all classes of buildings, residence fires, always the most numerous, have attracted much attention due to the present housing shortage.

In Canada each year, residential fires averaged almost 30% of the total loss in the last ten years. In 1945 they numbered 39,421 with total loss of about $8.1 millions. In the 10 years ending Dec. 31, 1945, they had an aggregate value of over $81 millions, a sum which would have built over 22,000 low-cost homes.

Materials Loss, Worst

More important than monetary loss is the waste of materials, so scarce just now. The 1945 residential fire loss of $8.1 millions represents much more than that today in the resulting shortage of badly needsd nails and joists, bricks and cement, lath and plaster as well as the labor involved.

Industrial fires represent the same problem, except that there the situation is complicated because every industrial fire means not only destruction of the factory building itself and possibly large stocks of raw or finished materials but stoppage of production, and of employment.

Every fire in a sawmill, a brickyard or a paint factory makes it more difficult for your newly married son or daughter to get a home. Every fire in a textile warehouse or factory makes it more difficult for you to get a new suit of clothes. Every fire in an industrial plant means employees out of work until new quarters are found or the damaged ones repaired.

Destruction of needed materials, however, has another important angle. Canada so far has been singularly successful in avoiding runaway prices. But if the demand increases and production fails to overtake it, (and it is a long way behind at present in many cases), it will become increasingly difficult to maintain prices and avoid inflation. Black market operations will tend to expand and life to become more difficult for the average citizen. Thus fire prevention becomes one of the most important elements in the battle against inflation.

Up 70% During War

The need of expanding every effort to prevent fire waste becomes apparent from the record of the war years. Then, despite the patriotic incentive to prevent fires, losses increased by 70% between 1939 and 1945. The incentive is just as great today, although possibly not so apparent.

Fire loss in the period after World War I increased 158% above the pre-war level. Fire prevention officials hope to prevent a recurrence.

Another angle is the higher cost of insurance likely to ensue if fire losses continue to increase, as indicated in another article in this issue of The Financial Post. Fire insurance premiums are based on the loss experience; if losses continue high, premiums must rise. In 1921 the average premium rate per $100 of property insured was $1.11; in 1944 67 cents. Per capita fire loss in Canada in 1921 was $6.11, in 1944 $3.39, in 1945 $3.46.

In the battle against fire waste every individual can help, in his home, his office or at the plant. Carelessness is the big enemy. Statistics show smokers' carelessness is the biggest single cause of fires. But other important causes are careless handling of matches, neglect to keep stoves and chimneys clean and in a good state of repair.

Fire prevention week each year has been designed to emphasize the need of increasing all efforts to checking the fire loss. By mutual consent in Canada and the United States, it is the week containing Oct. 9, the date of the great Chicago fire. During that week through newspaper publicity, public addresses over the radio and in the schools, the need of preventing fires will be impressed on the public, to preserve property and lives.

Officials are desirous, however, that fire prevention week should not be regarded as a complete campaign. It is only the beginning of a year-round campaign. Only in that way can Canada's fire loss be effectively reduced.

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1946
ECONOMICAL MUTUAL'S
75TH
Anniversary

Five days before Christmas in 1871, the Economical Mutual Fire Insurance Company issued its first policy . . .

That the ensuing 75 years were a period of uninterrupted growth for the Company is certified by the following impressive figures:

Assets today $4.257.546.02
Surplus today for the protection of Policy Holders $3.144.591.60

Throughout the long and eventful period in which Economical Mutual has served the nation, never has the Company failed to meet a single obligation when due . . .

The past record and the present strong financial position which Economical Mutual enjoys is a source of pride to the Company and of satisfaction to Policy holders . . .

Even greater achievements and wider fields of service are assured for the future.

Mr. J. A. Martin, Waterloo (left) and Mr. J. K. Sims, Kitchener (right) were recently appointed to the Board of Directors of the Economical Mutual Fire Insurance Company.

Mr. Martin, who has been Rubber Controller of Canada since 1945, was a scholarship student in Classics and Mathematics in his younger days, and later became Vice-President of the Dominion Rubber Company, Limited. In addition to his peacetime position as Vice-President of Dominion Rubber, he is also Vice-President of the Equitable Life Insurance Company of Canada, Director of the Chartered Trust and Executor Company, Sunshine Waterloo Manufacturing Company and Hamblin-Metcalfe Limited.

RECENTLY APPOINTED DIRECTORS

Mr. Sims was born in Kitchener, attended Kitchener Public Schools, Ridley College and McGill University, where he was awarded the Montreal Manufacturers' Scholarships in Economics and Political Science. He was graduated in law from Osgoode Hall. Mr. Sims' father before him, was a director of the Economical for many years. The new Director is also a Director of the Blue Top Brewing Company Limited, The W. E. Woelfle Shoe Company Limited, Raymond's Nut Shops Limited, and other corporations. He is the Company's general counsel and solicitor and has had wide experience in Fire, Automobile, Casualty and Life Insurance.

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General Manager: W. W. Foot

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Fire Prevention— Capital — Insurance

Capital in whatever form, i.e., real estate, personal property, business property, investments, etc., is saved labour, which is what you have left after expenses AND TAXES.

A capital loss which is insurable and which is protected by adequate insurance is made good 100%.

If insurance is lacking or inadequate, it usually requires more than $1,000 of NEW EARNINGS to replace $1,000 of capital loss.

Fire Prevention week is a reminder to recheck your fire hazards — while about it check your insurance, and if you need help ask a qualified agent or broker.

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CONNECTICUT FIRE INSURANCE COMPANY * **EQUITABLE** FIRE & MARINE INSURANCE CO.
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A Post-War Scourge — FIRE

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ARE YOU USING
ORDINARY PRECAUTION
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EVERY PRECAUTION
to prevent
FIRES!

Wastage in Canada through
Fires is appalling.
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try to get them.

BE FIRE CONSCIOUS ALWAYS

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CANADIAN GENERAL
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TORONTO

WINNIPEG - MONTREAL
VANCOUVER - SAINT JOHN

Higher Per Capita Losses In Most Municipalities

For the fourth consecutive year, the municipality of St. James, Manitoba, had the lowest per capita fire loss record among Canadian municipalities with populations over 10,000 in 1945.

St. James' per capita loss, however, has been steadily advancing for the four years. Its 1945 figure of 28 cents compares with 16 cents in 1944, eight cents in 1943 and one cent in 1942. The last figure set a low record for any municipality in Canada for many years. The Winnipeg suburb's good showing is attributed mainly to careful town planning.

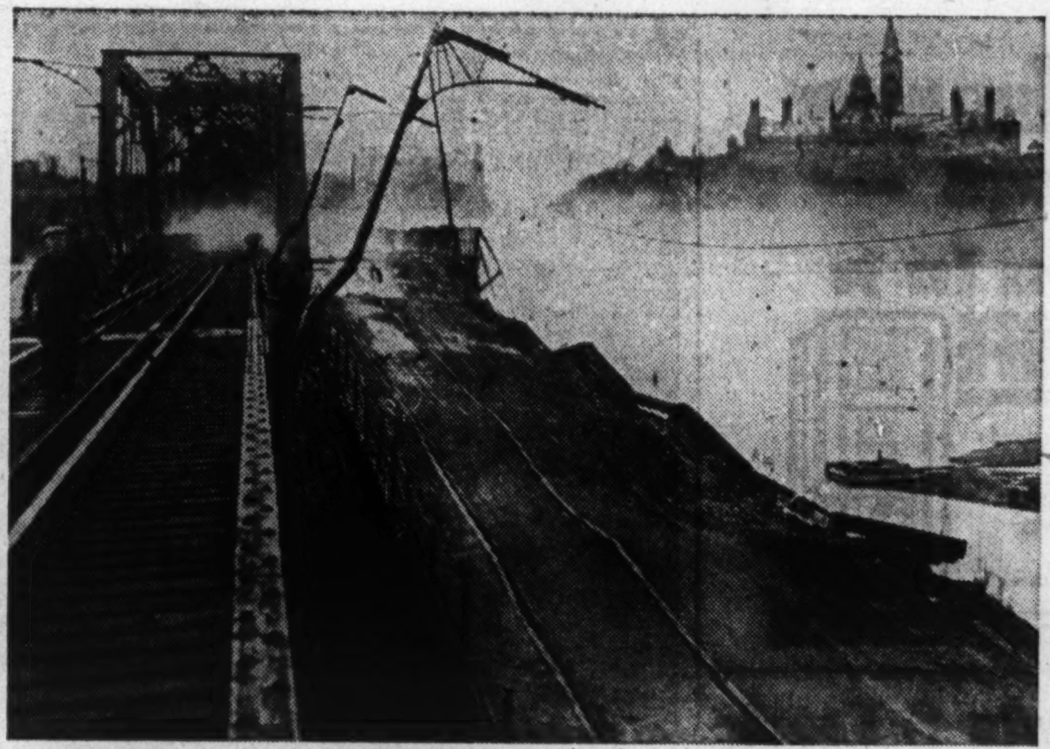
Second place was taken by another Manitoba municipality, St. Vital, with a per capita fire loss of 34 cents against $1.66 in 1944. Dartmouth, N.S., had the third best record at 36 cents. Dartmouth was in third place in 1944 also, but its per capita loss that year was 31 cents. Woodstock, Ont., came fourth with a per capita loss of 37 cents against 86 cents in the previous year.

Other places with low records in 1945 included Oak Bay, B.C., 39 cents; Sault Ste. Marie, Ont., 52 cents; Saanich, B.C., 59 cents and Welland, Ont., 60 cents. Barrie, Ont., which had a loss of 34 cents in 1944, jumped to $2.09 in 1945.

Highest per capita loss among the larger municipalities was Chicoutimi at $42.16 ($18.33 in 1944 and $2.91 in 1943). The 1945 loss was largely due to one large fire in which stores and dwellings worth $670,410 were destroyed. Next highest loss was $28.10 at Port Arthur which had a loss of $680,260 in one grain elevator fire. Figures for 96 municipalities follow:

FIRE LOSSES IN MUNICIPALITIES WITH POPULATION OVER 10,000

Municipality	Estimated population 1945	Total Property loss, 1945 $	Losses per capita 1945 $	Losses per capita 1944 $	Losses per capita 1943 $
Ontario					
Barrie	10,533	22,029	2.09	0.34	1.97
Belleville	15,642	34,852	2.23	2.17	2.27
Brantford	34,848	35,315	1.01	1.91	2.18
Brockville	11,122	14,492	1.30	7.56	1.60
Chatham	18,057	22,402	1.24	1.32	2.42
Cornwall	15,118	74,870	4.95	7.95	1.64
East York Township	43,399	32,392	0.75	0.48	.75
Etobicoke Township	19,490	299,916	15.39	2.11	1.14
Forest Hill Village	13,484	13,303	0.99	1.70	1.77
Fort William	29,103	102,592	3.53	1.56	.84
Galt	14,703	16,175	1.10	1.16	7.22
Guelph	23,225	278,926	12.01	1.14	2.11
Hamilton	175,364	662,857	3.78	6.81	3.28
Kingston	33,296	173,193	5.20	3.13	14.77
Kirkland Lake	15,765	15,241	0.97	0.45	.21
Kitchener	36,797	77,679	2.11	1.70	8.20
London	81,158	186,357	2.30	0.52	.76
Nepean Township	14,208	22,794	1.60	11.07	4.57
Niagara Falls	19,138	29,056	1.52	3.44	3.76
North Bay	15,906	160,904	10.12	2.49	.74
North York Township	26,000	82,233	3.16	0.99	1.14
Orillia	10,457	19,642	1.88	2.36	15.88
Oshawa	26,856	47,630	1.77	8.16	.42
Ottawa	195,327	499,137	2.56	5.70	3.01
Owen Sound	13,761	23,323	1.69	15.94	1.41
Pembroke	11,695	11,451	0.98	1.04	.93
Peterborough	32,379	60,852	1.88	1.54	1.97
Port Arthur	25,100	705,331	28.10	0.67	1.53
St. Catharines	34,559	22,706	0.66	1.15	.75
St. Thomas	18,253	185,854	10.18	1.48	.70
Sarnia	20,082	90,148	4.49	0.80	5.23
Sault Ste. Marie	28,813	15,071	0.52	1.78	3.49
Scarboro Township	24,142	58,149	2.41	2.31	2.19
Stratford	17,161	33,975	1.98	1.27	.83
Sudbury	35,812	162,108	4.53	1.83	1.21
Timmins	24,070	156,752	6.51	4.71	.92
Toronto	674,285	2,086,216	3.09	3.92	3.39
Welland	15,780	9,423	0.60	2.45	5.76
Windsor	118,040	598,154	5.07	1.67	.87
Woodstock	13,021	4,761	0.37	0.86	3.85
York Township	80,348	100,804	1.25	0.93	.94
Quebec					
Cap de la Madeleine	11,965	12,290	1.03	1.25	2.47
Chicoutimi	17,005	716,900	42.16	18.33	2.91
Drummondville	10,830	18,680	1.72	3.48	3.90
Granby	14,630	27,015	1.85	1.02	1.44
Hull	32,060	188,335	5.87	1.68	7.93
Joliette	13,530	80,645	5.96	7.75	7.74
Jonquiere	21,000	46,020	2.19	2.83	1.95
Lachine	20,990	87,545	4.17	3.25	.44
Levis	12,240	18,900	1.54	2.23	1.09
Montreal	928,000	3,940,600	4.25	3.25	3.32
Outremont	31,400	53,290	1.70	1.26	8.37
Quebec	160,275	1,219,900	7.61	2.93	4.47
Rouyn	10,050	51,880	5.16	2.49	...
St. Hyacinthe	18,690	28,690	1.57	12.79	.99
St. Jean	14,500	22,735	1.57	4.56	2.49
St. Jerome	12,875	94,480	7.34	1.99	4.54
Shawinigan Falls	22,085	92,040	4.17	4.08	1.57
Sherbrooke	37,270	63,405	1.70	1.20	2.51
Sorel	14,890	94,800	6.37	5.04	2.34
Thetford Mines	12,310	9,900	0.80	1.02	4.99
Three Rivers	45,000	204,460	4.54	2.40	2.49
Valleyfield	18,530	44,025	2.38	6.45	3.12
Verdun	67,625	63,850	0.94	1.05	.87
Westmount	25,275	50,800	2.01	1.85	1.10
British Columbia					
Burnaby	35,000	37,182	1.06	1.62	1.40
New Westminster	24,000	24,215	1.01	3.95	2.11
North Vancouver	13,260	49,847	3.76	0.67	...
Oak Bay	10,900	4,198	.39	10.00	...
Prince Rupert	14,000	113,275	8.09	29.92	...
Saanich	25,000	14,760	.59	0.67	.67
Trail	10,500	6,547	.62	1.23	...
Vancouver	311,800	2,563,645	8.22	1.80	5.84
Victoria	53,000	122,501	2.31	0.96	2.34
Nova Scotia					
Dartmouth	10,847	3,927	0.36	0.31	.64
Glace Bay	25,147	47,644	1.86	0.75	1.20
Halifax	70,488	325,392	4.62	10.84	4.63
Sydney	28,305	125,014	4.42	2.86	1.49
Truro	10,272	21,687	2.11	12.78	2.06
New Brunswick					
Fredericton	10,062	32,232	3.20	1.36	...
Moncton	22,763	157,423	6.92	4.50	2.54
Saint John	51,741	165,072	3.19	6.90	7.75
Prince Edward Island					
Charlottetown	15,000	65,958	4.39	3.64	1.60
Alberta					
Calgary	97,241	296,766	3.05	1.55	1.73
Edmonton	108,416	205,020	1.89	2.72	3.09
Lethbridge	15,000	55,882	3.73	3.32	1.91
Medicine Hat	13,500	59,033	4.37	9.79	1.39
Manitoba					
Brandon	17,583	35,149	2.00	0.39	4.23
St. Boniface	18,157	81,565	4.49	1.60	2.86
St. James	13,892	3,880	.28	0.16	.08
St. Vital	11,993	4,125	.34	1.66	.91
Winnipeg	221,960	433,495	1.96	2.41	1.15
Saskatchewan					
Moose Jaw	20,753	23,410	1.13	1.93	.21
Prince Albert	12,508	33,402	2.67	1.14	4.41
Regina	58,245	70,796	1.22	4.73	1.36
Saskatoon	43,027	93,795	2.18	...	...



Fire which destroyed pulpwood and damaged mill buildings and equipment to a total value of hundreds of thousands of dollars at the E. B. Eddy Company's Hull Que., plant, last spring also damaged the interprovincial bridge between Ottawa and Hull. Traffic between the two cities was broken. The picture shows the steel rails on the Hull side of the Ottawa River, twisted and bent by the heat.

Approved Fire Extinguishers Big Factor in Checking Fires

Most big costly fires had small beginnings and could have been checked had proper fire extinguishers been used as soon as the fire was discovered.

So efficient have approved types of fire extinguishers proved over a term of years, that insurance companies quote lower premium on buildings where they are installed.

But unless your extinguisher is efficient, it is worse than useless, because it may fail in time of emergency. To be sure you get an efficient extinguisher, look for the stamp of approval showing that it has passed a rigid test and been found efficient by some responsible authority.

The ordinary layman has no expert knowledge of his own but there are two recognized authorities in Canada and the United States which test fire extinguishers and whose judgment is generally accepted. They are the Fire Underwriters Laboratories and the Factory Mutuals Laboratories. Only by buying an extinguisher bearing the approval stamp of one or both of these organizations can the buyer be sure he is getting an efficient article and the type best fitted to his needs.

Special Fire Precautions Taken on "Queen Elizabeth"

Owners of the 83,673-ton luxury liner Queen Elizabeth which will start her maiden peacetime voyage from Southampton, England, on Oct. 16 have paid special attention to fire protection.

Lloyd's List reports there is a fire station in the vessel constantly manned and in communication with the bridge and engine-room. Smoke detecting pipes lead from the hold, baggage rooms and similar spaces to the fire station where equipment can be operated to blanket any fire-threatened space with CO_2 gas.

All inhabited spaces are provided with sprinkler systems and there are the usual fire extinguishing water mains. Galleys are almost all electric.

The ship has a double bottom with an intervening space of nearly six feet divided into numerous watertight compartments; also two shells, the inner one running the full length of the machinery compartments, in some places almost 40 ft. high.

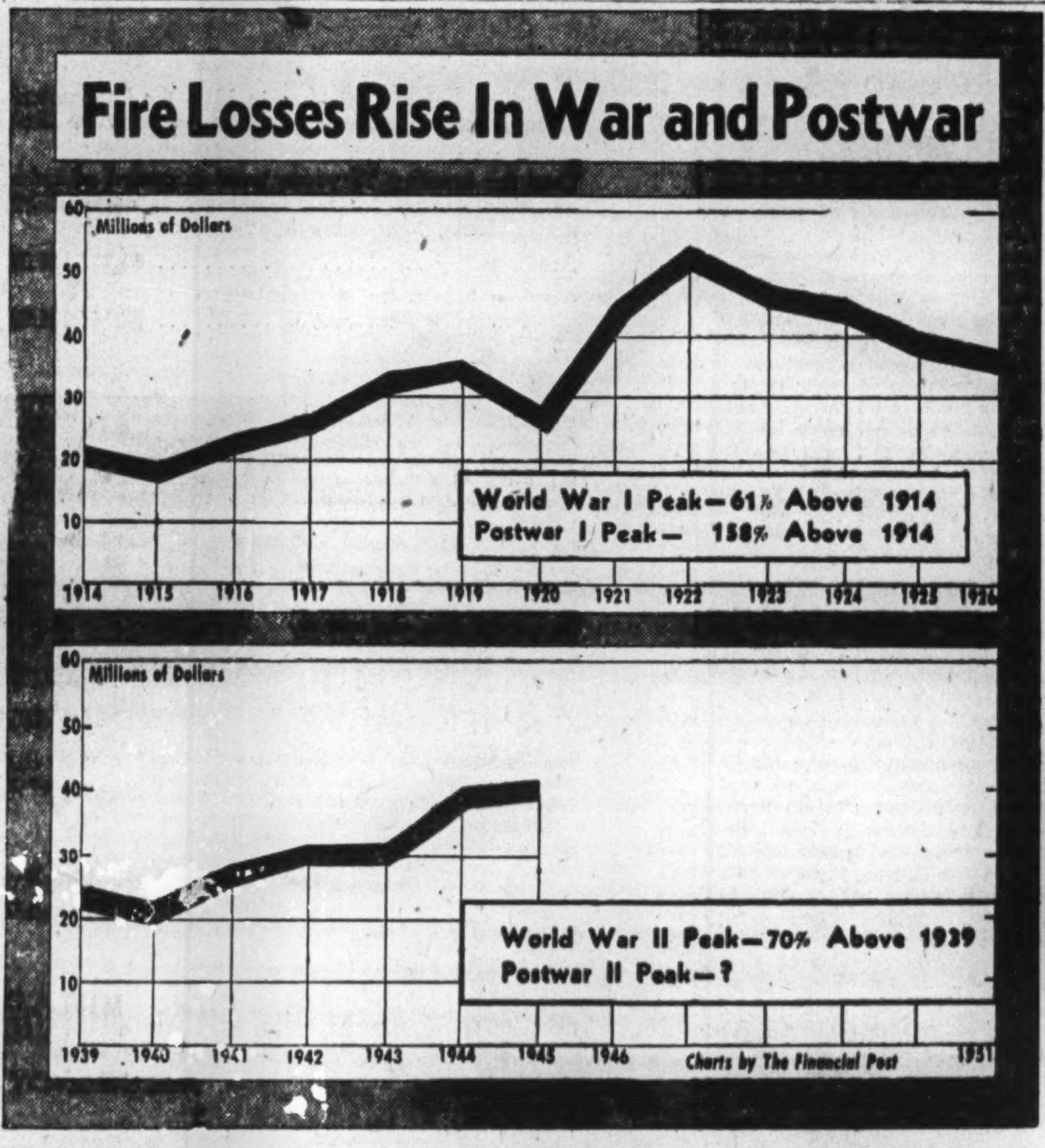
Transversely the ship is divided by watertight bulkheads and in association with the longitudinal subdivision, there are, in all, 140 watertight compartments in the vessel. Above the watertight bulkheads, the ship is divided into suitable sections by steel firescreen bulkheads.

Fire Deaths Average One Person Each Day

Three hundred and ninty-one persons lost their lives through fire in 1945, more than one person every day. Of the total, 159 were men, 86 women, 146 children.

The 1945 total was the highest in the last 10 years during which 3,006 people altogether died in fires . . . a life lost practically every working day.

Property losses in 1945 averaged almost $140,000 every working day; over the last ten years, almost $97,000 every day.



Charts by The Financial Post

The Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets	$5,833,185.28
Surplus	3,039,566.10
Dom. Govt. Deposit	2,292,892.17

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TORONTO

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VIGILANCE
is the password to Fire Prevention.
With long practice it can become a habit of mind.
No one is in a better position to engender this fire-preventive vigilance in the community than Agents, Brokers, and Insurance Companies.

FIRE PREVENTION IS A DUTY TO THE NATION

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THE LIVERPOOL-MANITOBA ASSURANCE COMPANY
THE CENTRAL INSURANCE COMPANY LIMITED
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It's an
Old Custom
but don't rely on it !

Good fortune does not depend on the observance of superstitions or old folkways, such as carrying the bride across the threshold. On the contrary, most good fortune is the result of careful planning . . . a result of taking precautions against bad luck.

There are many ways in which ill fortune may beset you . . . fire, burglary, damage claims, motor accidents . . . but with adequate insurance protection you can save yourself from serious financial loss.

The Wellington Fire Insurance Company has been protecting Canadians from the financial buffets of fate for over one hundred years. Why not ask your insurance agent to show you how you can, at reasonable cost, secure the best in insurance protection with the Wellington.

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WELLINGTON FIRE INSURANCE Company
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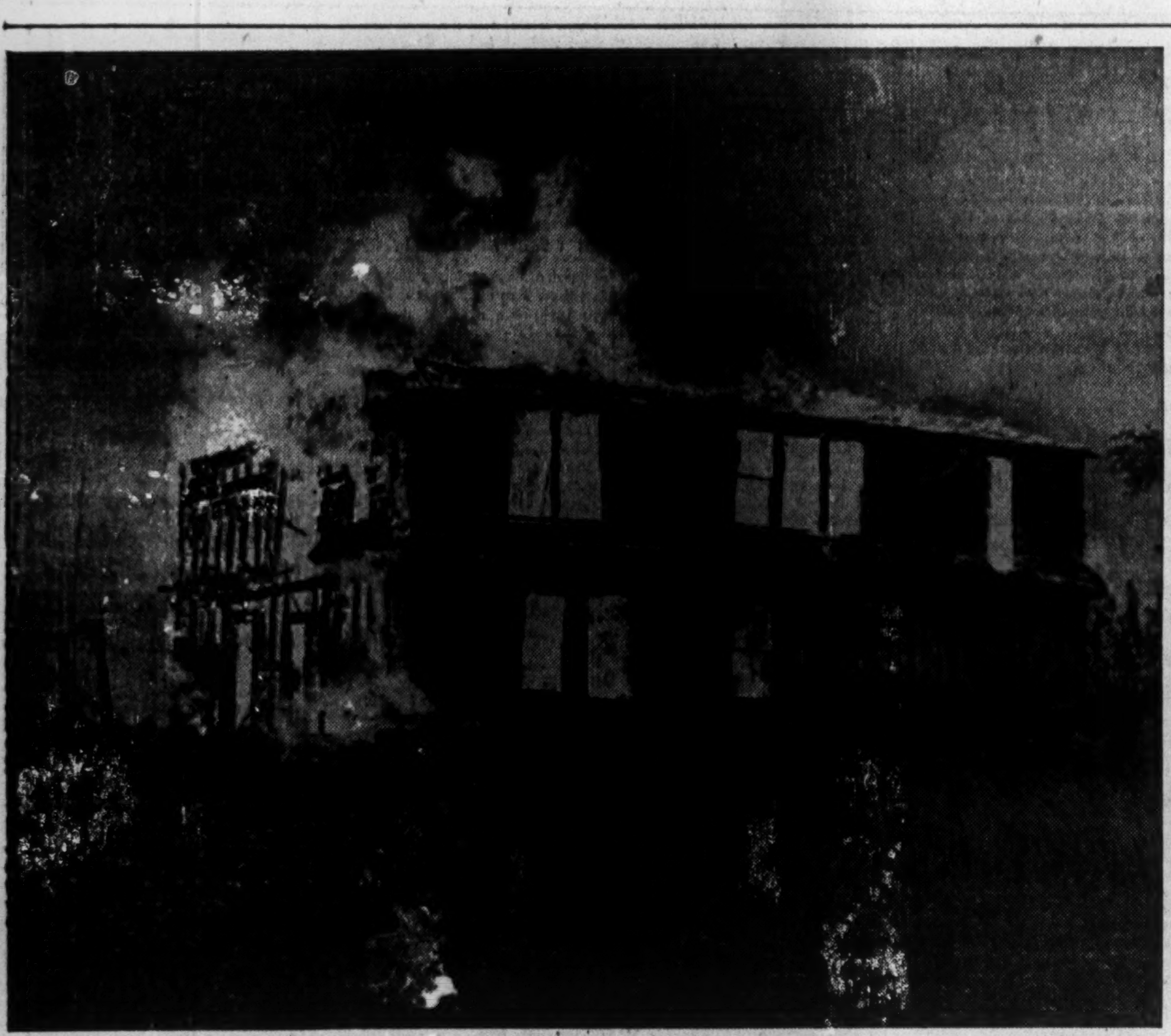

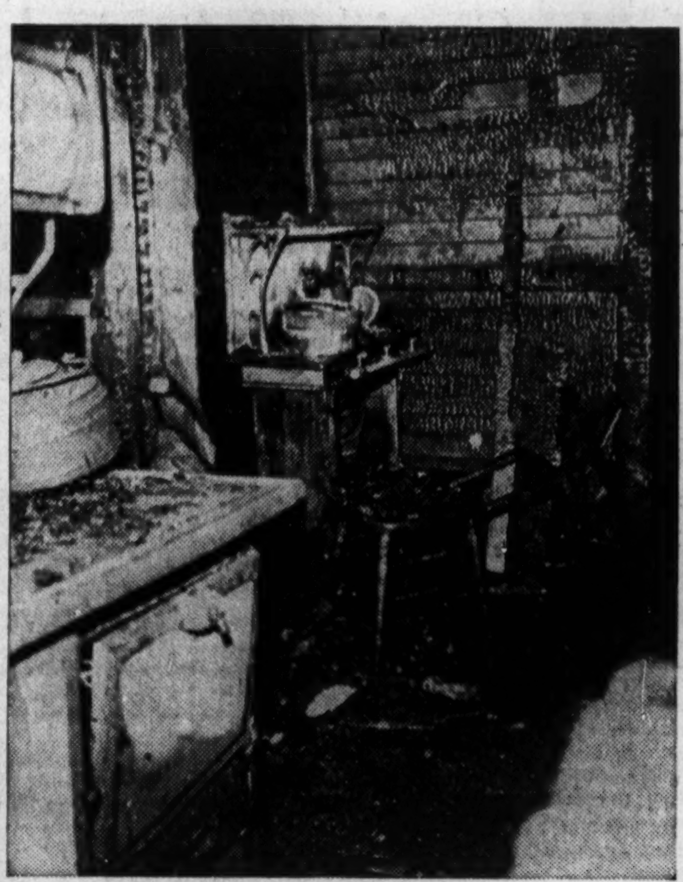

Keeping Home Fires Burning Sometimes Costly Business

In 1945 there were 39,421 residential fires in Canada—about three quarters of the total number—with a monetary loss of $8.1 millions and 254 lives. In the last 10 years, residential fires cost $81 millions, almost a third of the total property loss in the period.

Many of these homes were completely destroyed. But even though the majority of house fires do only partial damage, the resulting trouble and expense may be heavy. Whether the fire results from carelessness or something beyond the owner's control, the result is the same.

The picture on the left shows an Ontario farm homestead blazing fiercely just before it collapsed. The fire started near a chimney and within 20 minutes the house was completely burned and a married couple and their six children were homeless.

The picture on the right shows what happened to a family kitchen when gutted by fire, thought to have started near a gas stove. Considerable expense was entailed in repairing the damage while the family, unable to get their meals at home had to "eat out" with extra cost and inconvenience.

Residence fires are often caused by using flammable liquids to start the kitchen fire, or for cleaning around the house, carelessness in disposing of hot ashes, neglecting to keep chimneys and flues in working order. The situation emphasizes that fire prevention begins at home.

Community Chest Goal Is Higher in Edmonton

From Our Own Correspondent

EDMONTON—Community chest campaign target of $225,000 for Edmonton is more than double last year's objective. Included is $125,000 for capital expenditures, $25,000 for a $75,000 centre for the northern Alberta division of the Canadian Institute for the Blind, and $50,000 each for YWCA and Salvation Army buildings.

Number of tag days for 1947 has been limited to three. Sharing in the proceeds of money collected for the Community chest will be 28 organizations.

TOWN OF HAMPSTEAD has sold $134,000 2½% to 2¾%, 30-year serial bonds. Indicated cost to municipality was 2.924%. Previous financing in 1945 was done at a cost of 3.29%. Issue was purchased by a syndicate for 97.36.

YOUR PERSONAL BALANCE SHEET

The balance sheet of your company presents an accurate picture of its present condition. Every executive should strike a balance sheet of his personal financial position, so that he may find out exactly where he stands.

Such a balance sheet will emphasize the importance of insurance, and the need for full protection to cover liabilities and leave a healthy cash position.

Our representative will be glad to assist you in this matter.

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TORONTO

DRUMMONDVILLE, QUE., entered the capital market last week for the first time in two years and sold [illegible],000 of 2½% 20-year serial bonds at 98.041 to Burns Bros. & Denton Ltd., net cost 2.70%, lowest in its history. New bonds, dated [illegible] 1, 1946, may be redeemed by anticipation. The loan was incurred for water and sewerage systems, sidewalks and pavings.

Smokers Cause 33% of Fires

Proportion of Total Is Larger But Average Loss Lower

Smokers' carelessness continues the biggest single cause of fires in Canada. Statistics compiled by the Dominion Fire Commissioner reveal that of a total of 52,173 fires in 1945, 17,582 were due to smoking. The percentage of 33.6% of the total is substantialy above the 19.7% shown in 1944.

In most cases the loss was small, averaging a little over $130 ($208 in 1944). But officials point out that some of the most serious fires on record have resulted from carelessness in handling cigarettes or cigars, or disposing of matches.

The next important cause of fires was stoves, furnaces and boilers. These were responsible for 5,464 fires, over 10% of the total with an average loss of $566. Many of these fires are believed due to heating equipment becoming defective during recent years with repairs difficult to make because of the lack of skilled help or worn out parts.

Classification of fires according to causes follows.

Origin of Fires in 1945

	No. of fires	Property loss
Smokers' carelessness ..	17,582	$2,286,430
Stoves, furnaces, boilers	5,464	3,097,785
Electrical wiring	3,534	3,813,153
Chimneys, flues	3,708	1,424,113
Matches	3,044	713,868
Sparks on roofs	1,362	713,380
Hot ashes, coals	2,558	815,632
Lightning	1,178	633,945
Petroleum products ...	1,209	1,616,160
Lights, nonelectric	1,204	493,310
Exposure fires	497	714,598
Spontaneous ignition ..	472	1,323,930
Incendiarism	174	784,946
Miscellaneous known .	4,449	4,785,639
Unknown	5,838	18,686,131
	52,173	41,903,020

Fire Loss Per Capita $3.46 For All Canada

Slightly Above Previous Year's Record — Five Provinces Show Decline With Saskatchewan Again Leading and Manitoba Second

Although Canada as a whole had a higher per capita fire loss in 1945 at $3.46 against $3.39 in 1944, Manitoba, New Brunswick, Nova Scotia, Quebec and Saskatchewan recorded declines.

Saskatchewan with $1.09 had the lowest per capita loss, retaining the record it has held in most of the last 13 years, and 35 cents lower than in 1944. Saskatchewan's consistent low loss record is largely due to the fact that, not being so highly industrialized as some of the other provinces, she has not the same concentrations of goods and materials and hence a fire is not likely to cause the same dollar loss as where manufacturing plants are involved to a larger extent. In addition, it is stated, Saskatchewan fire statistics are reported on a somewhat different basis from other provinces.

Manitoba had the second lowest per capita loss at $1.57, followed by Alberta and Prince Edward Island. Highest per capita loss was in British Columbia at $5.55, due to a number of large fires including a ship in port at Vancouver $1.4 million, a warehouse $172,814, a school $135,000 and a garage, $107,000.

Figures for 1945 and 1944, and five-year averages, follow.

Provincial Fire Losses

Province	Total loss 1945	Per capita loss 1945	Per capita loss 1944	5-year average loss	5-year per capita average
Alberta	$2,208,102	$2.68	$2.32	$1,745,002	$2.17
British Columbia	5,247,302	5.55	3.86	3,398,022	3.85
Manitoba	1,159,801	1.57	1.58	1,105,311	1.52
New Brunswick	1,835,331	3.92	4.39	1,782,331	3.87
Nova Scotia	1,758,747	2.83	4.64	1,945,189	3.25
Ontario	14,464,189	3.62	3.37	11,578,284	2.98
Prince Edward Island ..	257,504	2.79	2.72	207,175	2.23
Quebec	14,033,510	3.95	4.06	11,899,416	3.47
Saskatchewan	938,516	1.09	1.44	970,336	1.12
Total	41,903,020	$3.46	$3.39	$34,469,070	$2.93

Plan New Schools For Nova Scotia

From Our Own Correspondent

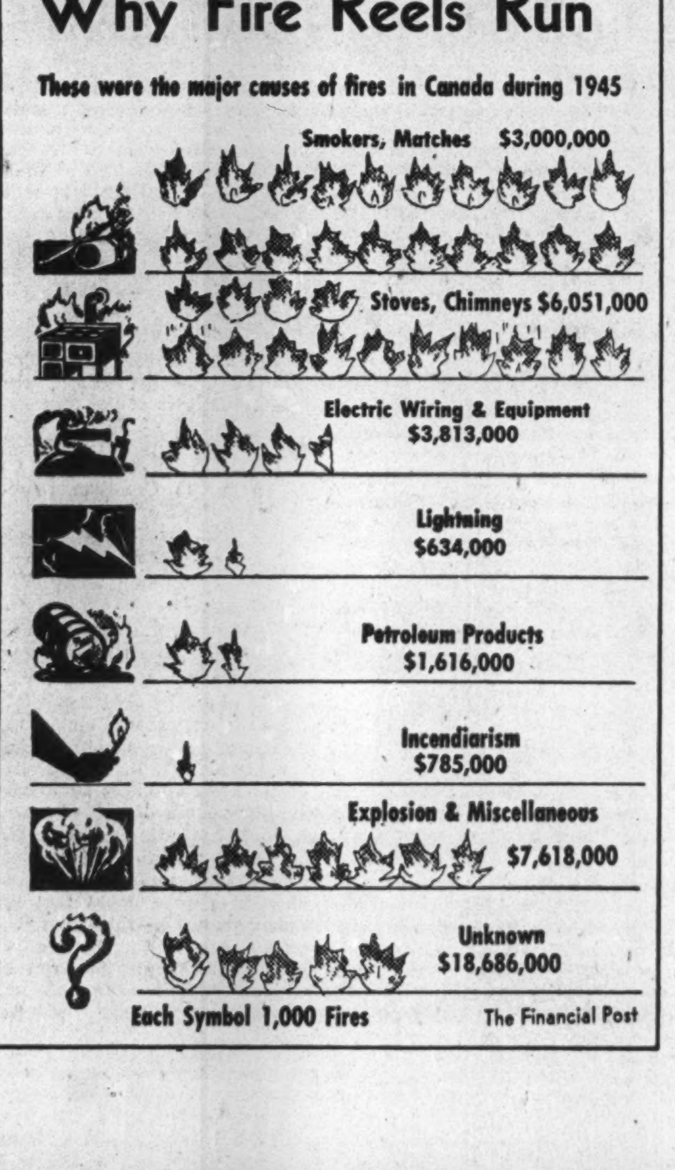
SYDNEY—Nova Scotia is forging ahead in the field of education, with definite plans for at least two $1 million vocational schools, a series of junior high schools, a fishermen's training centre, and other improvements. The next few years will probably see the greatest boom in the building of educational centres in the province's history.

Tenders are to be called soon for vocational schools in Halifax and Sydney, with possibility of another in Pictou county. Scholarships will be established, to aid deserving students from other parts of the province to attend.

Cape Breton reports most present schools antiquated and overcrowded, with need for new facilities. A teacher shortage, feared earlier, has been avoided.

Why Fire Reels Run

These were the major causes of fires in Canada during 1945



Each Symbol 1,000 Fires

The Financial Post

Shopping for Cheap Insurance?

"There is hardly anything in the world that some man cannot make a little worse and sell a little cheaper, and the people who consider price only are this man's lawful prey."—Ruskin.

For Insurance which fails to pay when a loss occurs, any price — no matter how little — is too high.

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The North West Fire Insurance Company
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The Commercial Union Fire Insurance Company
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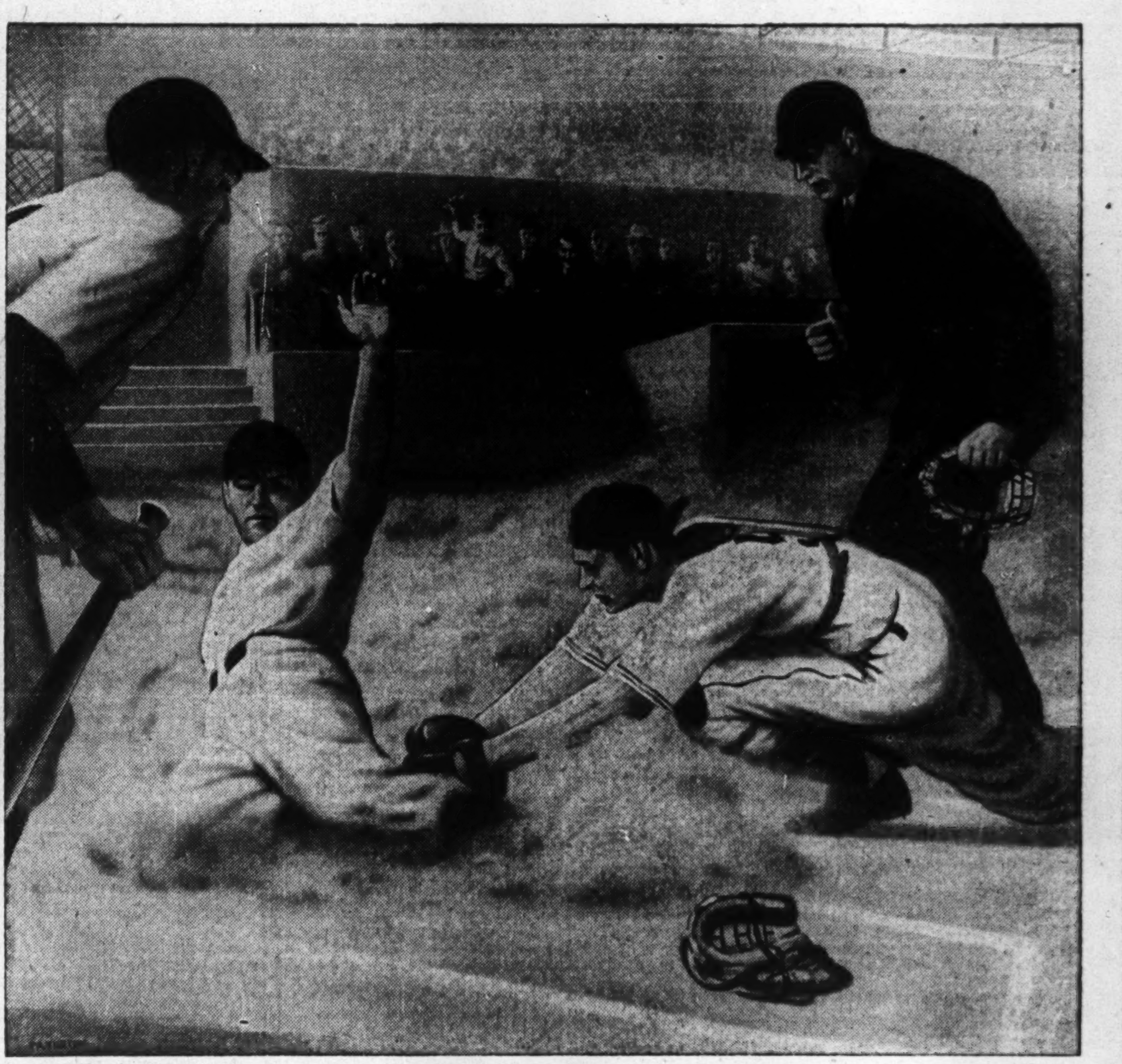
The Canadian Way



The Spirit of Fair-Play

The grand spirit of fair-play goes beyond the stadium ... beyond the sports grounds. You can see it in a thousand ways in our everyday life. The spirit of fair-play has always been, and will always remain a very basis of our society ... a cherished characteristic of our Canadian Way of Life.

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How to create at once an Estate of $7,153.00

Of course if you saved $100.00 a year for 72 years you'd reach your objective—but 72 years is a lifetime. The simple, sure, profitable way to create this estate is through the Continental Life $100 Premium Plan.

Here, literally with a stroke of your pen you create at once an estate of $7,153.00*—an estate which protects your family, your home, from the moment you pay your first premium and in addition guarantees you a pension when you retire. Ask your Continental Life Representative about this Plan today.

*At age 25.

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Brantford • Canada 15

Would Clarify Policyholder's Right To Designate Beneficiary By Will

Desirability of revising the law affecting life insurance to prevent any misunderstanding continues to absorb the attention of provincial insurance superintendents and company executives.

One point that has received considerable study in recent years is the right of a policyholder to designate a preferred beneficiary by a general statement in his will. Because of conflict between the provisions of a life insurance policy and the life insurance law on the one hand, and the terms of certain wills, court actions have sometimes arisen and provincial officers are anxious to find some way to avoid this.

The main difficulty seems to be in the wording of wills dealing with life insurance. In some quarters it is claimed the trouble is due to draftsmen being ignorant of the complexities of the problem.

Examples of the sort of difficulties that arise follow.

Beneficiary Dies

A policyholder had two policies naming his wife as beneficiary. The wife died and the owner had one policy made payable to himself. Later by will he left to one of his three sons "all my real and personal property of whatsoever kind and nature." It was held that only the proceeds of the policy payable to the policyholder passed to the one son, the three sons sharing equally in the other. The court ruled that as the will made no mention of insurance money it referred only to the policies payable to the estate, the other policy apparently being paid under the terms of the Insurance Act and divided equally among her surviving children.

In another case a man had two policies in which his father and mother were respectively named as beneficiaries. Later he executed a declaration (legal statement in writing signed by himself) by which he left one half of his estate "including insurance" to his fiancee, whom he later married. He then died. A majority decision of the appeal court held the wife entitled to her share.

These cases indicate the importance of naming insurance in the will especially if the beneficiary is a preferred beneficiary.

Preferred Beneficiaries

According to law, preferred beneficiaries are the spouse, children grandchildren, and parents of the person insured.

But suppose a man makes a will leaving his entire estate to his wife. If the wife is not named as beneficiary in the policy and he does not mention insurance specifically in his will as being left to her, she is not considered a preferred beneficiary and loses the benefits of a preferred beneficiary. The proceeds of a life insurance policy payable to a preferred beneficiary cannot be seized for the policyholder's debts nor can they be paid to anybody other than the preferred beneficiary.

Another case in which difficulties regarding payment of insurance money arises is indicated by a man who took out a life insurance policy payable to his wife. Later he made a declaration, (not in his will), appointing his wife beneficiary. He did not inform the insurance company of this declaration. He then borrowed from the bank, on the security of the policy without the wife joining in the application for a loan. The bank was unaware of the prior declaration which was found among the effects of the insured at his death. Some doubt arose as to whether the bank was entitled to the money ahead of the wife or whether the loan would have to be paid out of the general estate.

It is felt that the insurance law should be revised to eliminate all cases of uncertainty such as these.

Oct. Dividends Rise By 9%

October dividend payments will be up 9% from the same month of 1945, according to a preliminary survey by The Financial Post based on dividends declared up to the end of September.

Ten new listings and increased regular payments by 20 industrial companies was largely responsible for higher dividend figure.

Dividends paid and declared for the first 10 months of 1946 are up 11.5% from the corresponding 1945 period.

Monthly Dividends

	1946	1945
January	$27,085,896	$22,985,287
February	8,464,065	8,797,809
March	30,496,833	26,598,221
April	29,061,948	16,810,664
May	9,564,457	8,662,889
June	47,161,151	50,401,634
July	29,561,639	25,645,710
August	12,398,265	12,104,438
September	25,366,117	23,877,931
October	26,263,290	24,084,659
Total	245,423,661	219,969,242

Industrials and Utilities

Company:	Rate	Date	Amount
Acadia Atlantic, A	.25q	1	50,000
Amer. Cyan.	†.25q	1	666,503
Ashdown Hdwe.	.15q	1	20,430
Auto Fabric, A	‡.15q	1	3,750
Beaver Lumber, pf.	1.75q	1	26,250
Beatty Bros., A	.50q	1	19,500
Do., B	.50q	1	50,000
Belding Corticelli	1.50	1	11,242
Do., pref.	1.75q	1	15,142
Belgium Glove	.10q	1	5,000
Do., 5% pref.	.25q	1	4,063
Biltmore Hats	.10q	15	4,000
Bell Telephone	2.00q	15	1,740,000
Biltmore Hats, A	.25q	15	10,000
Brantford Cord.	.12½q	15	10,000
Do., pref.	.32½q	15	10,920
B. C. Elec. & G., p.	1.50q	1	75,000
B. C. Power, A	.40q	15	400,000
Building Products	.25q	1	120,845
Burlington Steel	.15q	1	21,000
Canada Bread, pfd.	1.12½q	1	26,250
Do., B pfd.	.62½q	1	15,625
Canada Dry	‡†.15	1	246,064
Do., pref.	†1.06½q	1	53,707
Can., Nor. Power	.15q	25	60,000
Do., pref.	1.75q	15	96,250
Canada Packers, A	.75s	1	300,000
Do., B	.25s	1	200,000
Canada Steamships, c.	.50	15	150,000
Can. Breweries	.37½	1	750,000
Candn. Canners	.31½	1	44,488
Do., 1st pref.	.25q	1	47,719
Do., participating	.05	1	9,543
Do., 2nd pref.	.15q	1	53,237
Do., participating	.10	1	35,492
Can. Cottons	.45	1	61,887
Do., pref.	.30q	1	50,191
Can. Fairbanks, pfd	1.50q	15	16,893
Can. Food Products	.12½q	1	17,826
Do., A pfd.	.25q	1	17,826
Can. Industries	.15	31	1,050,211
Do., pref.	1.75	15	81,375
Can. Gen. Electric	2.00q	1	377,890
Can. Silk Prod., A	.37½q	1	39,500
Can. Westinghouse	.50q	1	273,000
Can. Wire Box, A	.37½q	1	19,043
Do., on arrears	.37½	1	19,043
Can. Pac. Rlwy.	.50	1	6,700,000
Carnation, 1st pfd.	†1.00q	1	60,000
Cassidy's pf.	1.75q+1.75▪	1	16,832
Cel'nese of Am. 1st p.	†1.18½q	1	415,625
Do., 2nd pref.	‡1.75q	1	259,312
Combined Ent., pf.	1.25q	15	7,188
Comm. Alcohols	.05q	15	10,025
Do., pref.	.10q	15	5,000
Cons. Bakeries	.20q	1	63,688
Consumers' Gas	2.00q	1	291,104
Consolidated Press, A	.25q	1	12,500
Do., extra	.50	1	25,000
R. L. Crain, Ltd.	.10	1	6,000
Cunningham Drug, pf.	1.37½s	1	8,232
Dom. Coal, pf.	.37+.38	31	162,114
Dom. Foundries	.25q	1	127,754
Dominion Dairies, pf.	.44q	15	11,000
Dominion Glass	.25q	15	53,125
Do., pref.	.35q	15	45,500
Dom. Oilcloth	.30+.10q	31	280,000
Dominion Textile	1.25q	1	337,500
Do., pref.	1.75q	1	33,900
Dominion Tar pfd.	.25q	1	93,471
Essex Packers, pf.	.62½q	2	62,500
Foundation Co.	.35q	18	29,610
Fraser Cos.	.50q	25	185,501
Gatineau Pwr.	.22	1	415,620
Do., pfd.	1.25q	1	152,450
Do., 5½% pref.	1.37q	1	47,950
Goodyear Tire	1.00q	1	257,260
Do., pref.	.50q	30	55,000
Gordon & Belyea, new A	.62½	1	1,375
Do., B	.62½	1	605
Do., 6% pf.	1.50q	1	1,827
Grand & Toy	.15	1	3,460
Gt. Lakes Pap., A, B	.25	1	50,000
Gt. Lakes Pwr., pf.	1.75	15	13,125
Greening Wire	.05q	1	26,500
Hendershot Pap., pf.	‡2.50s	1	6,625
Hinde & Dauch	.25q	1	74,983
Humberstone Shoe	1.25	7	25,000
Hudson's Bay	7%+5%	4	281,313
Internt. Bronze	.85	15	85,000
Do., pref.	.37½q	15	37,500
Internat. Metal, A	.40	1	75,324
Do., B	.25	1	12,500
Do., 4½% pf.	1.12½q	1	42,772
Int. Mill. 4% pf.	†1.00q	15	53,500
Journal Pub.	.17q	15	17,000
Jam. Pub. Service	.17q	1	22,900
Do., pref.	1.75q	1	13,125
John Labatt	.25q	15	225,000
Lang, John A.	.25q	1	25,000
L. St. John Pwr.	.50q	15	5,000
Do., extra	1.00	15	10,000
Lewis Bros.	.15q	31	22,515
W. M. Lowney Co.	.12½q	15	25,899
Massey-Harris	.25	15	186,587
Mod. Containers	.30q	2	7,500
Do., pref.	1.37½q	2	4,125
Monarch Knit.	.20	1	20,400
Do., 5% pr.	1.25q	1	15,937
Montreal Telegraph	▲.48q	15	24,000
Montreal Locomotive	.20	1	140,000
Moore Corp.	.55½q	1	239,805
Do., pref. A, B	†1.75q	1	49,336
Murphy Paint	.20q	1	20,650
Nanaimo-Duncan, c.	.25s	15	18,750
Nat. Hosiery, A	‡.15q	1	12,297
National Breweries	.50q	1	360,686
Do., pref.	.44q	1	48,840
Nat. Steel Car	.37½	15	263,250
Niagara W. Weav.	.25q	1	28,750
N. S. Light & Pr. ord.	1.50q	1	43,153
National Grocers	.15q	1	44,278
Do., pfd.	.37½q	1	53,949
Ont. Beauty Supply, pf.	.25q	2	3,750
Ogilvie Flour, c.	.25q	1	150,000
Ottawa Elec. Rly.	.80q	1	18,649
Ottawa L. H. & Pr.	.15q	1	21,000
Do., pref.	1.25q	1	21,250
Page-Hersey	.31½	1	54,461
Power Corp., pfd.	*1.50q	15	75,000
Do., 2nd pref.	*1.75q	15	75,000
Renfrew Textiles	‡.15q	1	3,750
Regent Knit., c.	.25	15	16,252
R. Silk Mills, A	.50q	1	15,000
Robertson, P. L.	.50q	1	30,030
Do., pref.	.62½q	1	3,753
Saguenay Power, pf.	1.07q	1	53,500
St. Law. Corp., A pf.	.25q	15	72,044
St. Law. Pap., pf.	.75+1.50	15	305,037
Silverw'd W. D., 5% p.	1.25q	1	8,232
Silverwood D.	.30s	1	56,353
Do., pref.	.20s	1	24,000
Smith, H. Paper	.25q	30	60,550
Do., pref.	.50q	21	107,555
Sher.-Williams, pfd.	1.75q	1	60,550
South. Can. Pwr., p.	*1.50q	15	106,333
Standard Radio, A, B	.10q	10	21,500
Standard Paving, pfd.	.31½q	1	15,625
Stedman Bros.	.15q	1	61,200
Tamblyn, G.	.20+.05	1	28,000
Do., pref.	.50q	1	5,000
Tip Top Tailors	.07½q	1	9,000
Tooke Bros.	.25q	3	7,331
Tuckett Tob., pf.	1.75q	15	35,000
Twin City Rapid, pf.	†.62½q	1	5,540
Thrift Stores	.20q	1	5,094
Toronto Iron	.15q	1	5,790
Do., A	.15q	1	12,750
United Fuel, pf. A	.75q	1	67,500
Viau, pref.	1.25q	1	11,825
Wabasso Cotton	1.00q	1	69,903
Western Grocers, A	‡.37½	15	23,415
Do., pref.	‡.35	15	20,900
Western Breweries	.30+.10	15	97,914
W. Koot. P. & L. pf.	1.75q	1	8,750
Weston, Geo., c.	.20q	1	80,884
Wilsil	.25q	1	33,925
Wool Combing	.25q	1	12,500
Total			22,330,906

Mining Companies

Company:	Rate	Date	Amount
Dome Mines	.27½	30	535,334
Lamaque Gold	.008	1	240,000
Kerr Addison	.05	23	236,515
South Amer. Gold	†.10	3	181,000
Sylvanite Gold	.03q	1	98,985
Teck-Hughes	.05	1	240,357
Wright-Hargreaves	.05	1	275,000
Total			1,807,191

Oil Companies

Company:	Rate	Date	Amount
Brit. Amer. Oil	.25q	1	693,160
Calgary & Edmonton	.05s	15	125,755
Canadian Oil, 5% pfd.	1.25q	1	25,000
Do., 8% pfd.	2.00q	1	20,000
Foothills	.12½	1	248,540
McColl-Front., pfd.	.85	19	64,065
North Star Oil, pfd.	.08½	1	17,500
2nd Stand. Royalties, pf.	.00½	1	12,518
Total			1,201,538

Financial

Company:	Rate	Date	Amount
B. A. Assurance	1.50s	1	45,000
Brockville Trust	.62½q	1	6,250
Canada Life	5.00q	1	50,000
Can. Perm. Mtge.	2.00q	1	140,000
Can. For. Invest., pf.	‡.75q	1	55,062
Can. Gen. Invest.	.15q	15	90,088
Central Can. Loan	2.00q	1	50,000
Economic Invest.	.80	1	32,000
General Trust, pf.	1.25q	15	13,750
Guaranty Trust	1¼%q	15	3,750
Gt. West Life	3.75q	1	37,500
Huron & Erie Mtge.	1%q	1	50,000
Invest. Found., pfd.	.75q	15	20,703
Mtl. C. & D. Bank	.35q	1	70,000
National Trust	‡.22½	1	67,500
Ont. Loan & Deb.	1.25q	1	50,000
Sun Life Assur.	3.75	1	75,000
Tor. Gen. Trusts	1.50q	1	37,500
Victoria T. & S.	1.25q	1	11,562
Western Assur.	1.20s	1	18,000
Total			923,665
Grand total			26,263,290

q Quarterly. s Semiannually. a Annually.
‡Initial. ▲Net after corporate income tax. *Subject approval of F.E.C.B. †N. Y. funds. ▪On arrears.

Life Insurance Sales Increase 51% in 1946

High Cost of Living and Low Interest Rates Seen as Factors Encouraging Buying — Eight Provinces and Nfld. Show August Gain

Sales of new ordinary life insurance in Canada and Newfoundland in August at over $86 millions, were almost 43% higher than a year before. For the first eight months of 1946 the total was $778.7 millions, up 51%. Total sales in 1945 were a record $839 millions.

Agency executives report the September sales trend continues upward and some companies expect to set new records. All provinces except Prince Edward Island show increases.

The higher sales continue due mainly to factors operative for some time, the plentiful supply of money in circulation and the lack of competition from consumer goods such as washing machines, and electric refrigerators.

More recently, however, agency executives report the high cost of living as a powerful consideration among buyers of life insurance. These realize that it takes a larger income to provide the standard of living to which they and their families have been accustomed and accordingly feel that more life insurance is necessary.

Prevailing low interest rates have been a further factor. An example quoted by one insurance man was that while in 1925 it was possible to invest say $20,000 in Government bonds at 4½ to 5% giving an income of $1,000, now it is difficult to get 3% with equal security, giving an income of $600 from the same amount of capital. Many family men feel these two conditions make more life insurance necessary.

Moreover, the number of marriages increased sharply during the war years (in 1945, 107,478; in 1944, 101,496). Moreover, many parents are buying insurance on their children.

Demand is spread over practically all plans of ordinary insurance.

Figures showing the sales and the totals, with comparisons for new ordinary insurance, exclusive of group insurance, annuities reinsurance or dividend additions are supplied by the Canadian Life Insurance Officers Association:

Life Insurance Sales in Canada and Newfoundland
(000 of $)
Sales in August

	1946	1945
British Columbia	7,527	4,140
Alberta	4,960	3,110
Saskatchewan	4,037	3,404
Manitoba	4,678	3,718
Ontario	33,731	22,899
Quebec	23,284	17,517
New Brunswick	2,862	1,545
Nova Scotia	3,881	2,527
Prince Edward Island	585	717
Newfoundland	905	617
Total of Canada and Newfoundland	86,050	60,194

Sales by Months
(000 of $)

	1946	1945
Jan.	82,572	58,727
Feb.	88,225	59,742
Mar.	102,748	66,195
Apr.	104,949	70,492
May	105,535	62,871
June	104,830	66,840
July	106,880	69,348
Aug.	86,050	60,194
Sept.	......	64,992
Oct.	......	85,583
Nov.	......	91,979
Dec.	......	82,045
		839,003

J. B. NETTELFIELD, C.L.U.

whose appointment as Assistant Superintendent of Agencies of The Great-West Life Assurance Company has been announced by H. W. Manning, Vice-President and Managing Director. Mr. Nettelfield, associated with the Company since 1935, was formerly a Branch Manager in both Toronto and Montreal. He will make his headquarters in Winnipeg and will have as his primary interest the Company's agency organization in a large part of the United States and in Western Canada.

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TORONTO

Aluminum Ingot Exports Show Big Jump in August

By ARTHUR STYLES

MONTREAL (Staff):—Observers who have been wondering just when Aluminum Co. of Canada would be in a position to step up its production from the current 40% of capacity rate were given definite cause for encouragement this week. Statistics released by the DBS on aluminum ingot exports showed that substantial progress had been made by the company in August in opening up export outlets. Approximately 50,000 tons of ingots were exported, principally to the United Kingdom, the United States and Switzerland.

Significance of the export market is this: exports normally provide an outlet for 90% of the company's ingot production. Extent to which company operations will be lifted through the balance of the year depends, therefore, on the success it has in developing ingot exports.

In August ingot exports were 92% of the total exported through the first seven months of 1946, sharply contrasting with the 2,584-ton July export figure.

As in the past, bulk of August ingot exports, 28,584 tons, went to the United Kingdom—170% greater than for the seven-months period January to July, inclusive 28,584 tons against 10,598).

August exports to the United States exceeded 10,000 tons, against 12,000 tons for the January-through-July period due to shortage of primary forms of aluminum in the United States as consumption of fabricated aluminum products grows by leaps and bounds. (See story P. 1.)

August exports to Switzerland were 5,743 tons—more than twice the total in the first seven months of this year; bulk of the total for the account of Aluminum Ltd's two fabricating subsidiaries in that country.

Dollar value of ingot exports in August was $13.3 millions, bringing the eight-month total to $29.3 millions. Average price of ingots, per cwt, dropped from approximately $14.80 for the first seven months to $13.30. In all, 19 countries imported ingots from Canada in August.

Because of high August volume, ingot exports for the first eight months of this year totalled 208.8 million pounds, 25% of Arvida's peak wartime production on an eight-months basis. Main outlets in August and on an eight-months cumulative basis, follow:

Country	August (000 lb.)	Jan.-Aug.
United Kingdom	57,170	78,367
United States	24,449	45,040
Switzerland	11,486	16,016
India	...	14,623
Czechoslovakia	162	12,964
France	3,430	6,960
China	1,991	5,609
Grand Totals	100,108	208,803

Modern Containers Stock Split Approved

Subdivision of the 25,000 outstanding common shares of Modern Containers into 50,000 class "A" shares and the creation of an additional 50,000 new common shares has been approved by shareholders.

Public sale has been made of up to 50,000 new class "A" shares, by G. E. Leslie & Co., Montreal, at $21.75 a share to yield about 4.6%. Proceeds of the sale will not be paid into the treasury of the company. To the extent that all or any part of the 30,500 outstanding class "A" shares may not be acquired under the broker's earlier purchase offer to shareholders, the number of class "A" shares available for sale under this offering will be reduced.

WHAT WOULD YOUR BANKER SAY—IF ...

you told him you owned these assets

$60,000 Apartment House
$80,000 Factory
$120,000 In Bonds

AND THAT ...

you had no CASUALTY INSURANCE or Safety Deposit Box for your Bonds. Surely he would advise you to get protection for such valuable property.

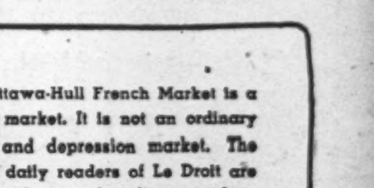
HOW MUCH ARE YOU WORTH?

Your real worth is your ability to earn. Figure it out—mulsiply the number of months ahead of you to 65 years of age, by your monthly earnings. You have before you potential earnings from $60,000 to $160,000 or over, before you are too old to work.

Have you protected the fortune of your earning capacity?

Write to the Head Office of The Dominion Life giving the amount you're worth according to the above figuring—your age and number of dependents—and we'll give you advice as to how best to protect your "worth" by Life Insurance.

THE MOST VALUABLE PROPERTY YOU OWN IS STANDING IN YOUR OWN SHOES



Dominion Life ASSURANCE COMPANY
Since 1889
HEAD OFFICE - WATERLOO, ONTARIO
BRANCHES IN PRINCIPAL CITIES
439

"It's wonderful to have EASE OF MIND"

"Like most people I hadn't much left after meeting present day living expenses. Yet it was evident to me that my wife and family would need at least $15,000 more than the value of my estate if I shouldn't live. And all I could hope to save was about $25 a month.

"Imagine my relief on finding out that I could provide the fifteen thousand by putting my $25 a month into a London Life Jubilee participating policy (annual premium age 30, $285.90).

"Furthermore, if I live to retire, this policy will provide money for my old age.

"Solving this problem has meant a great deal to my family and me. With the future made secure, we feel free to enjoy the present."

If you have a similar problem, consult a London Life representative. He can help you.

London Life Insurance Company
Head Office - London, Canada

Newfoundland Newsletter

See New Era of Fish Competition As Combined Food Board's End Nears

ST. JOHN'S, NFLD.—With high prices available for Newfoundland fishery products during the past two years, and the orderly marketing arrangements under the Combined Food Board program, assuring in advance an outlet for all that Newfoundland could produce, fishermen and merchants have experienced life at its best.

Operation of the Combined Food Board program during the past three years represented the ultimate in order and regularity as far as Newfoundland's fisheries were concerned. Production was allocated by the Combined Food Board to various consumer countries and Newfoundland was thus aware in advance of the quantities of fish which could be sold and the prices available. The demand was for as much as Newfoundland could produce and prices were satisfactory.

It is not thought, however, that the Combined Food Board will operate in 1947 and a return to competition amongst the fish producing nations is expected. Some measure of co-operation between them could reduce many of the difficulties of the past in the form of subsidies, barter arrangements, exchange manipulations, etc., and to this end a meeting of producer countries, including Newfoundland, was held in Oslo on Sept. 30.

• • •

"Lack of Avarice"

Newfoundland's fishery objective has been described as one of increased production at reduced cost. An obstacle in the way of achieving it is what has charitably been called the "traditional lack of avarice" of Newfoundland fishermen. During September crews of 10 banking vessels, having earned enough, abandoned the voyage in mid-season, thus losing an estimated ten thousand quintals per vessel, valued at approximately $150,000, of which the men would have earned almost 50%.

• • •

The Dominion's Office has announced the appointment of R. L. M. James of the British Treasury as Commissioner for Finance in succession to the Hon. I. Wild who is returning to England. Mr. James is one of 32 Principals of the British Treasury. The term of his appointment has not been stated.

• • •

Decision of the Steel Workers Union of North Sydney to handle iron ore shipments from Bell Island until the close of navigation has given new impetus to operations at Wabana. This will involve about 496,000 tons and will just about clear the surface stock pile for winter operation of the mines. Hopes are entertained for substantial contracts for iron ore from Great Britain, but a shortage of transatlantic shipping brought two of the mines at Bell Island to a stop during the North Sydney strike.

• • •

Want More Blueberries

An appeal has been made by the Industrial Development Board for an increase in production of blueberries, the average annual production of which, during the past eight years, has been about four million pounds. Production during 1944-45 was below average, although the price per pound to pickers reached a peak figure of 20c. This decline was probably due to the fact that more profitable employment was easily obtainable elsewhere. Average production at present prices, places the value of this industry at $1.1 million a year.

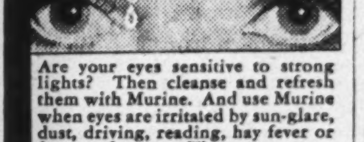
• • •

Through the Newfoundland Industrial Development Board, the Ottawa laboratories of the National Research Council of Canada have offered to make their services available to Newfoundland firms on terms similar to Canadian enterprises in the fields of canning, fresh fish processing, etc. This assistance should be of great value to Newfoundland.

• • •

Mackerel is an erratic visitor to Newfoundland coastal waters. In the last four years, however, vast quantities of mackerel have inhabited the bays surrounding almost the entire island. Now a contract has been made with the Food Controller in Jamaica for purchase by him of 2.4 million pounds of pickled mackerel. Small boatmen are not experienced in the technique of catching this rather elusive species, and there is, therefore, some doubt that the full contract can be filled; but it is understood that further large quantities are saleable if they can be produced. Agreed prices are approximately 8c. a pound at point of export.

Soothe your irritated eyes with Murine
Put 2 DROPS in each eye!



Are your eyes sensitive to strong lights? Then cleanse and refresh them with Murine. And use Murine when eyes are irritated by sun-glare, dust, driving, reading, hay fever or factory fumes. There are seven important ingredients in Murine. Two drops in each eye soothes and comforts very quickly. Ask your druggist for Murine.

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MADE IN CANADA

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OWNS AND OPERATES CKCH

Chartered Banks Open New Branches In All Sections of the Dominion

Canadian chartered banks continue to open new branches at a rate that indicates they will shortly have as many offices in operation as at the beginning of the war—about 3,300.

The Bank Directory for September reports ten branches opened and two closed, during the month, a net gain of eight, with a total of 3,174 branches operating in Canada. In August the increase was 10.

While practically all the banks have shared in the new program, the majority of the new branches are being opened by banks which formerly had widest representation across the Dominion.

The changed program of the banks, reversing that of the war years when over 200 branches were closed, is due to a variety of reasons reflecting the change in the situation since the war's end.

More Experienced Help

Returned veterans have increased the number of available men with some experience in banking. These, while somewhat rusty, know the background of the business and are able to pick up the threads without too much difficulty. It was estimated that close to 9,000 bank men and women were in the armed services and the majority of these have now returned to their former employment.

Apart from the larger number of staff now available the desire to give their customers the widest possible service is a factor in the bank's expansion program. In some cases this has resulted in opening branches in areas where certain individual banks had not operated at all before the war. In others it means simply the revival of old connections. Where banks aren't opening new branches they are expanding their connections with other banks to give wider coverage through correspondents.

Wider Loaning Policy

The wider loaning policy allowed by the bank act revision of 1944 and the government guarantees under the National Housing Act, Farm Improvement Loans Act and Veterans' Business and Professional Loans Act have made some bankers anxious to locate new branches at strategic points to take advantage of any enlarged demand that may occur.

So far expansion has been retarded somewhat by the shortage of available suitable buildings and of building materials for new branches. In many cases existing buildings have been bought and are being altered to meet banking requirements.

New branches are distributed fairly well right across the country. Many of them are in smaller towns not served with any bank. Others are in the larger cities and towns—Montreal, Vancouver, Halifax and Calgary. Agricultural and mining districts alike are shown in the lists of new branches.

In the larger cities, an effort is being made to avoid opening where branches were closed during the war. It is hoped thus to avoid an over supply of banking services.

The new branches moreover are solving one of the banks postwar problems by providing openings for the returned veterans.

Want Junior Clerks

Meanwhile the banks are looking for junior clerks to make good shortages created during the war years when few male juniors were taken on. The opening of new branches and the retirement of many older men who continued to serve beyond the retiring age, during the war, offer greater opportunities than have been known in the banking profession for some years, bankers say.

Managed Investment

A Stock, Bond "Switch" For Compton's Account

Compton sells his Maple Leaf Gardens preferred stock and buys another Dominion of Canada bond. His investment manager also answers a Financial Post subscriber who suggests that he obtain a $3,000 bank loan with his stocks offered as collateral, and in this way enlarge his stock portfolio.

The Compton Account Transactions

SALE:

No. of Shares	Security	Selling Price	Amount
50	Maple Leaf Gardens (pfd.) ..	$11.85	$582.50

PURCHASE:

No. of Shares	Security	Cost Price	Amount
$600	Dom. of Can. 3%/62	$105.00	*$632.07

*Includes accrued interest amounting to $2.07.

Compton's Manager Says:

As was recently reported in The Financial Post, the preferred shares of Maple Leaf Gardens Ltd. have been called for redemption on Nov. 1, 1946, at $12 per share. It was regarded as being to Mr. Compton's advantage that he should sell the 50 preferred shares at the current market price of $11.85 per share rather than hold them for redemption. This has been done and the proceeds invested in Dominion bonds; thus making Mr. Compton still more liquid.

On the "switches" completed during the period from Aug. 16 to Sept. 13, Joseph Compton's expected annual income has been decreased—temporarily it is hoped—by $17.

As between Dec. 15, 1944, when Mr. Compton's account was taken over and Sept. 13, 1946 (including switch), the following is the broad change in the position:

	Dec. 15, 1944 Principal Sum	Sept. 13, 1946 Principal Sum
Bonds	....	$5,056.88
Pref. stocks	$ 925.00	3,611.25
Common stocks	6,661.25	3,492.25
Mining stocks	1,750.00	....
Cash	663.75	44.16
	$10,000.00	$12,204.54

Following is a letter received from a subscriber to The Post:

Policy Question

I have been following closely your weekly articles on "Managed Investment." Compton's Investment Manager seems to have been quite successful so far with a fair-sized paper profit but I would like to offer some criticisms of his methods.

I would like to quote first a paragraph taken from a book written by "Barron's" financial columnist "The Trader" called Commonsense Speculation. To quote—"The crystallized aversion to marginal trading undoubtedly has come about from the thousands of people ruined by shakeouts in bull markets or by prolonged bear markets, where proverbial 'lifetime savings' frequently have been lost. The constitutional distaste for borrowing on stocks seems decidedly ill-founded. It has been the experience of the writer that just as much money has been lost in outright-owned commitments. Over and over again, amateur speculators and investors have averred, 'Well, I own my stocks outright, so I have nothing to worry about.' There is nothing nefarious per se about borrowing on securities any more than there is in commercial borrowing. How do all corporate bonds, which represent borrowing, come into existence, unless the companies can see a return from their investment greater than the interest paid out? The elder John D. Rockefeller used to advise all young men to go into debt up to their necks if they knew what they were doing and had a proper outlet for their funds."

I would like to suggest to Compton's investment manager that he secure a $3,000 loan from his banker or broker with his stocks held as collateral, this to be gradually reduced to 15% or 25% of the original investment of $10,000 and the loan be used to enlarge his stock portfolio.

Following is Compton's investment manager's answer received under date of Sept. 6:

Manager's Answer

The quotation from The Trader merits careful consideration; and of course, under right circumstances the suggestion which he makes can very properly be followed. But when it is proposed to borrow for the purpose of making additional stock purchases, the question of timing becomes all important. Remember in this connection that we have lived in a bull market practically continuously since the late summer [illegible]42. Bull markets do not last [illegible]er.

Four [illegible]go in Trader's advice w[illegible]d have been obviously helpful [illegible]ch advance of the stock ma[illegible] index since 1942 has made it more and more risky to follow the procedure suggested.

This proposal reached us via The Financial Post on Aug. 19. The Toronto Stock Exchange Index of Industrial Common Stocks then stood at 203.0. After a recovery from its latest nose-dive it now stands (on the 5th of September) at 189.52. Had Compton borrowed such a sum on Aug. 19 and bought stocks at the prices then ruling, he would (at least on paper) have lost already something like $200; the time, in other words, waas unpropitious.

In any case we do not think that Joseph Compton, a married man with two small children to feed and educate, should ever take avoidable investment risks. Our hope is that both his investment fund, and his income therefrom, can slowly be made to grow—subject to no more than occasional brief interruptions. We believe that this can be done with complete safety to the principal.

But on that basis he cannot—and indeed should not—hope for quick results.

The Compton Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks	$	$
10	Can. & Dom. Sugar ...	22	21
5	Consumers' Gas	140	167
5	Goodyear	95½	101
15	John Labatt	20	25⅛
35	Montreal Locomotive .	18	17¼
35	Southam	13	18⅛
60	York Knit. Mills	11¾	14½
	Preferred Stocks		
30	Can. Wire Box, A ...	23¾	25¼
25	E. B. Eddy Co., $1	22	20
5	Int. Metal Ind., 4½%.	100	101
25	Riverside Silk, A	33½	32½
30	D. Stuart Oil	16¼	18⅛
50	McCabe Grain, A	11	11
	Bonds		
$800	Can., 3% 1956/59 ...	100¾	104⅝
900	Can., 3% 1957/60	100⅛	104⅝
1,300	Can., 3% 1959/62	102.98	104⅝
2,000	Can., 3% 1959/63 ...	100	104⅝
Cash			$32.60
Curr. Market Value of Fund ..			$13,049.17
Prospective Annual Income			$518.85
Average Yield on Original $10,000			5.19%

*Bid price on Sept. 13, 1946.

BANK OF CANADA

	Sept. 25 1946	Sept. 18 1946
Liabilities	$	$
Capital paid-up .	5,000,000	5,000,000
Notes in circ. ...	1,143,652,626	1,141,338,128
Rest fund	10,050,367	10,050,367
Deposits: Dom. .	49,831,015	39,795,346
Chart. banks .	514,873,590	491,415,953
Other	80,213,288	73,972,171
Total deposits ...	644,917,894	605,183,470
Liabs. pay. in sterling, U.S.A. and for'n gold currencies	743,111	743,111
All other liabs. .	25,172,909	24,670,609
Total liabs.	1,829,5[illegible]	1,786,985,685
Assets		
Sterling & for'n exchange	[illegible]	743,111
Subsid. coin	[illegible],042	483,442
Investments:		
Dom. govt. sh.	1,276,018,129	1,244,297,331
Oth. Dom. gov.	524,911,137	513,927,567
Other secs. ...	10,000,000	10,000,000
Total invest.	1,810,[illegible]29,267	1,768,224,898
Premises	2,[illegible]6,742	2,559,739
All other assets .	14,836,145	14,974,495
Total assets	1,829,536,908	1,786,985,685

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

S. D. BERGERON, to be accountant Quebec City.

G. B. GOODWIN, to be accountant Digby, N.S.

R. L. JOHNSON, to be accountant New Waterford, N.S.

A. L. MacDONALD, to be accountant Davie and Granville, Vancouver, B.C.

L. W. ROBERTS, to be accountant North End, Saint John, N.B.

H. G. WASHBURN, to be accountant Brantford, Ont.

• • •

The Royal Bank of Canada announces the following staff changes:

A. FERGUSON, accountant Portage Ave., Winnipeg, to be manager Erickson.

L. C. FERGUSON, assistant accountant 3rd St. West, Calgary, to be manager High Prairie, Alta.

H. VICKERSON, supervisor's department, Calgary, to be manager Innisfail, Alta.

J. W. DEWAR, accountant Watrous, Sask., to be accountant Rosetown, Sask.

R. G. PRATT, assistant accountant Prince Albert, Sask., to be accountant Swift Current, Sask.

E. C. WRIGHT to be accountant Spring Garden Road, Halifax.

R. F. GRANT, manager Orillia, Ont., H. C. ALLISON, manager Moosomin, Sask., E. H. Pringle, manager Harris, Sask., retire.

How Are Canada's Veterans Doing In Their Studies at University?

(Continued from page 15)

in the experience of the oldest members of the faculty.

"It would be impossible to quote examples of all the organized and individual efforts in the field of voluntary help (to the faculty) which, happily, is obliterating the prickly portions of whatever hedge of misunderstanding that may have stood traditionally between faculty and students.

"Usually their way is unorthodox. Inquisitiveness is rampant with them. Courageous is the professor who throws his class open for discussion for they will challenge his most profound and favorite themes."

Dr. Sidney Smith, president. University of Toronto: "All my staff tell me they have never worked with a finer group of students. The record of achievement of returned men has been higher than that of adolescents who came to the university directly from high schools. They have been working hard, and all their endeavors have been characterized by a seriousness of purpose gratifying to everyone. These men who fought for Canada and are now being given the chance to continue their studies will provide many of the leaders of our country 20 years hence."

At the same time, the government, by financing the education of 40,000 youths to the tune of $200 millions, has overnight upset the economy of practically all of Canada's 35 universities and colleges.

Before the war total enrolment was about 35,000. Today close to 40,000 veterans alone are getting their higher schooling at the taxpayers' expense. On the basis of 1939 civilian enrolment, today's university business is more than doubled.

A department of Veterans' Affairs survey up to Aug. 31, 1946. shows veterans have a marked preference for the Arts course. Students (including pre-medical, dental and Engineering,) totalled 11,032. Next is Engineering with 3,974 followed by Commerce and Finance with 2,182. This concentration in these three courses is taken as an indication of the returned man's practical and realistic outlook and his desire to make himself as professionally proficient as he can.

Preponderance of men who donned uniform in the Arts is believed due to their belief that it can open the gates into more fields of endeavor; teaching, law, theology, journalism, lecturing, retailing, graphic arts, administration, etc.

Coast-wide Survey

Following is a Financial Post survey university-by-university for the 1945-46 year:

Dalhousie: Thirteen prizes or scholarships won by ex-servicemen or women. Instructors generally agree that the returned man shows a stability of purpose and a maturity of outlook which is of great assistance in their studies. Total number of ex-service students, 506. By faculties; arts and science, 291; law, 78; medicine, 14; dentistry, 3. January-July session, Arts and Science, 120.

University of New Brunswick: Average pre-war registration, 280; 1944-45 veteran enrolment, 19; civilians, 400; 1945-46, 518 veterans, 451 civilians. By faculties (non-veterans in brackets) post graduates 12 (6); law, 26 (10); arts, 48 (64); science, 73 (15); engineering 181 (152); forestry, 178 (65). Complete failures among veterans, 2%, about one quarter of the average failure rate. One of every two vets are "top grade" students. They include a remarkably high proportion of married students. Anticipated 1946-47 registration, 1,450 (900 veterans).

McGill: Figures aren't available but officials say that, on the whole, ex-service students have done remarkably well. Because of their years, their maturity and experience, they are much better equipped to cope with their studies than are their civilian counterparts. Enrolment: Last December, 2,376; January, 700; May, 700. By faculties: arts and sciences and commerce, 1,600; engineering, 600; medicine, 70; dentistry, 30; law, 50; graduate school, 80; physical education, 30; agriculture 100; misc., 35; graduate nurses, 30.

Queen's University: Forty-nine veterans won scholarships in 1945-46. Value of 10 major awards taken by returned men, $6,000. One student won a Reuben Wells Leonard fellowship for $500, a medal in economics and a $1,200 fellowship to Hull University, England. The top student in arts, a veteran, won a $200 scholarship and a position as lecturer in the Commerce faculty. Second man was also a veteran who, besides winning a $200 scholarship, qualified for fellowships at the Universities of Buffalo and Cornell. He is now a lecturer in Economics at the University of Buffalo. Total enrolment 2,231; veterans, 990. Faculty of arts (civilian standings in brackets) 509; 56.7% passed clear (57.8%); applied science, 428; 44.6% passed clear (59.2%); medicine, 63; 66.6% (86.4%).

University of Western Ontario: In 1945-46 69% of veterans and 64% nonveterans received clear passes. About 25% received one or more supplementals but only 5% were counted as failures by DVA. 50% received second-class honors or better. A survey of 600 returned men showed 254 or 42% had previous university training; 346 or 58% with none; longest period away from school, 15 years; proportion away from school for over 10 years, 3.5%; average period away from school. 3.9 years; average percentage rating on American council of Education test, 60% for veterans, 50% for nonveterans; 30% married of which group, 12% have children; average age, 24; service affiliation, RCAF, 50%; Army, 30%; Navy, 20%.

University of Toronto: Enrolment, 13,157; veterans, 5,211; by faculties (non-veterans in brackets) arts, 1,314 (4,140); medicine, 184 (730); engineering. 913 (725); dentistry, 156 (223); forestry, 121 (61).

First year science and engineering casualty rate 9.1% compared with previous 17-year average of 24.6%. Low for the 17 year period, 19.3%; high, 32.3%. Of the 1946 class, 17% of the veterans obtained honors compared with an all-over average of about 11%.

No figures available as yet for first year Art students but of 172 ex-servicemen registered, in the second year of the pass course, only one failed, a percentage of .6% as against 6% among the 569 civilians writing the examination. In second year honor arts course, veterans held their own, with a failure rate of 11%.

At the Ontario College of Pharmacy, 17 veterans won scholarships, seven out of the nine left won first-class honors. In first year, of the 142 writing, 65 were ex-servicemen. Thirty-nine made the upper half, four failed. Two veterans won scholarships in first year medicine. A veteran stood first in Dentistry. In the first year Arts course, 35% of the veterans passed with first-class honors; 311 passed clear.

Expected enrolment for the 1946-47 session, 16,000, up 3,000 from 1945 (about 7,000 veterans, 44%, compared with 36% last year).

University of Saskatchewan: Eighty-seven scholarships, fellowships or awards won by veterans. Ex-servicemen enrolment, 1,835, non-veteran, 1,817. By faculties (with civilians in brackets) agriculture, 197 (114); arts, 492 (786); commerce. 287 (98); engineering, 544 (430). Distribution by services: Navy, 254 men, 19 women; Army, 452 men, 23 women; Air Force, 1,059 men, 26 women; fire fighters, 1 man; Merchant Marine, 1 man.

In the arts and sciences, veterans' average mark was higher in all years than the civilians. In engineering, their mark was higher in first, second and third years, but a little lower in the fourth.

A comparison of standings by forces in first year arts and sciences showed ex-soldiers highest, Air Force veterans second and Navy third. In first year engineering, RCAF was first, Army second, Navy third.

In nearly all courses, more than 25% of the veterans were in the upper "quartile" (75% of the marks are below it, 25% above). In last year engineering, average marks of married veterans was higher than that of single men and ex-officers stood higher than former other ranks.

University of Manitoba: Registration, 5,425, veterans, 1,769. One in every 47 had to repeat and one in every 27 withdraw. Civilians: one in every 33 had to repeat; one in every 42 withdraw. Enrolment by faculties (non-veterans in brackets) agriculture, 132 (253); commerce, 95 (206); engineering, 308 (667); law, 34 (68); arts and sciences, 1,084 (3,221); medicine, 25 (241).

University of British Columbia: Enrolment 8,000; veterans, 4,052. By faculties; applied science, 495; arts, 3,342; agriculture, 215. Expected this month, another 1,000. Ex-service students obtained a pass standing about 8% higher than that of civilians.

McMaster University, Hamilton, and University of Alberta Edmonton, did not see fit to provide statistical data on the showing of veterans in their student bodies.

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THE WEEK'S QUOTATIONS

Montreal and Toronto

Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING SEPTEMBER 27

Range 1946 High	Low	Div R'te $	Sept27 Y'ld %		Sales	Last Sept. 20	Week end. Sept. 27 H	L	Cl'se
22¾	14	.	...	Abitibi n.	14572	16	17	15	16¾
21½	15	.	...	Do. $1.50 pf n	13632	16	17	15½	17
40½	34¾	.	...	Do. $2.50 pf n	150	37	37½	37	37½
24	19¾	1.00	4.9	Acadia Atlan A	315	19¾	20½	19¾	20½
107	103	5.00	4.8	Do. 5% pref.	30	103½	104	103	104
12	8	.	...	Acme Glove, n	50	8	9	9	9
41½	28	1.80	5.1	Agnew Surp.	150	37	36	35	35½
26	16	.	...	Algoma Steel	235	16½	18	16	18
27¾	26	1.00	3.7	Alum of Can p	1032	26½	27	26½	27
230	129½	8.00	4.8	Aluminum	1070	158	168	155	167¾
109½	105½	▲6.00	5.5	Do. pref.	150	105	109½	109½	109½
30	15	.	...	Amal. Electric	25	15½	16½	16½	16½
23	15½	▲■.50	..	Andian Nat.	240	18½	16	15½	16
30	24½	1.00	3.8	Dom. Bank	[illegible]				
45½	31½	1.20	3.4	Dom. Bridge	1216	33	34	32½	33
23	13½	.	...	Dom. Coal, pf.	370	17	17½	16½	16½
14	10	.	...	Dom. Dairies	126	10½	10½	10	10½
8½	5½	.	...	Dom. Electro	20	5½	6	6	6
62	43	2.00	4.4	Dom. Engineer	75	46	45	45	45
30	27	1.40	4.8	Dom. Foundries	365	28	29¾	28½	29¾
51½	43	1.00	2.3	Dom. Glass	100	43	43	43	43
45	38	1.20+.40	4.2	Dom Oilcloth	235	40	38	38	38
15	7¾	.	...	Dom. Magnes.	400	8	9	8½	8½
33	18¾	.	...	Dom. Square	25	33	31	30½	31
23	12½		...	Dom. St. & CB	12133	15½	15¾	13½	15½
[illegible]	21	■.70	...	Dom. Stores	1025	22½	24	22½	24
[illegible]	23	■.75	...	Dom. Tar & Ch	430	23½	25	24	24½
28	24	1.00	3.9	Do. pref.	115	25½	25½	25½	25½
[illegible]	23½	■.50	...	Do. V.T.	100	26	24	24	24
[illegible]	90	5.00	5.1	Dom. Textile	945	98½	98¾	95	97½
20	13	.8	5.3	Dom. Woollens	375	14½	15	14½	15
[illegible]	15	■.77	...	Donnacona P.	59866	19½	21½	19	20½
[illegible]	[illegible]	4.50	4.3	Do., pref.	150	104	104	103½	104
24	21½	1.00	4.7	Donohue Bros.	200	21½	21½	21½	21½
19½	13		...	Dryden Paper	371	14	14½	14	14
37½	14	.	...	East Koot Pr p	15	30	33	30	33
18½	10	■.60	...	East Steel, new	3305	10	10½	10	10
15½	13	•.50	...	Easy Washing	100	15½	14½	14½	14½
22¾	20	1.00	4.9	Eddy Papers	1980	20½	21	20½	20½
22½	15½	■▲1.00	..	Electrolux	220	16½	16½	16	16½
36½	25	1.00	3.7	English Electric	350	27	27	27	27
22½	21½	1.00	4.6	Esmond Mills	550	21½	22	21¾	21¾
13	10	.	...	Equitable Life	40	11½	13	12	13
6	2¾	•.25	...	Fairchild Air	275	3½	3½	3¾	3¾
22½	15	.60	3.3	Famous Players	6425	17¾	18½	17½	18½
66	43½	▲1.50	3.1	Fanny Farmer	785	46	48	45	48
11	5¾	.	...	Federal Grain	4125	8½	11	8½	10½
134	98	■6.50	..	Do. pref.	153	118	131	117	130
7½	6½	.	...	Fittings	55	7	6½	6½	6½
14½	11½	.	...	Do. pref. A	350	12	11¾	11½	11½
11	4	■.25	...	Fleet Aircraft	1980	9½	4¾	4½	4¾
32¾	20	1.00	4.8	Ford Motor A	3845	21	21¾	20	21
32	25	1.00	4.0	Do. (B)	50	29	25	25	25
34	25	1.40	5.6	Foundation Co.	185	25	25½	25	25
75½	44½	2.00	4.1	Fraser Cos.	2410	47½	50	45½	49½
20	13½	■.97	...	Gatineau Pwr.	135	17	17	17	17
111	105	5.00	4.6	Do. pref.	301	109½	110	109½	109½
111	106	5.50	5.0	Do. 5½%	30	110½	110½	109½	110½
7¾	3½	.	...	Gen. Bakeries	1670	4½	4¾	4	4½
21½	9	.	...	Gen Products A	15	18	18	18	18
20½	15½	.80	4.6	Gen. St. Wares	975	17	17½	16½	17
109½	105	5.00	4.8	Do. pref.	10	105	105½	105	105½
12½	11	.50	4.4	Gord. McKay A	1330	11½	11¾	11½	11½
25	15½	.50	2.0	Do. (B)	400	21	25	21	25

Range 1946 High	Low	Div R'te $	Sept27 Y'ld %		Sales	Last Sept. 20	Week end. Sept. 27 H	L	Cl'se
125	99½	■2.00	..	Goodyear Tires	175	102	106	103	106
57	52½	4.00	7.4	Do. pref.	285	54¾	54¾	54	54
35	15	1.50	3.0	Gt. Lakes Pap.	3415	21½	22	20½	21½
70	42	■.75	...	Do. A & B	345	53	55	52	55
22	20	■.25	...	Grafton (A)	560	20	20½	20	20
54½	47	3.00	5.6	G W Saddlery p	38	54½	54	54	54
7	4½	.20	4.0	Greening Wire.	200	5	5	4¾	5
13	6	.	...	Gurd, Chas.	43	11	12	11½	12
18½	12½	.	...	Gypsum, Lime.	1825	14½	15	14	15
10	5½	.	...	Hahn Brass	40	9½	9	9	9
14½	6½	.	...	Ham. Bridge	1569	7	7½	6½	7½
21	18	.90	4.7	Ham. Cot., pf.	50	18½	19	19	19
16½	9¾	.30	2.7	Harding Carpet	115	11½	11½	11	11
39	22	•.50	...	Hayes Steel	25	24	22	22	22
25½	20	1.00	5.0	Hinde & Dauch	310	20	20½	20	20
40	27½	■1.00	..	Simpson, A.	410	30	31	30	30½
27½	23½	■.50	..	Do. (B)	720	26	28	26	27½
108½	101½	4.50	4.3	Do. pref.	160	105½	105½	104	105
34	25	1.20	4.4	Slater, N.	25	26½	27	27	27
16	13½	.80	5.6	So. Can. Pr.	131	13½	14½	14½	14½
132	115	6.00	4.9	Do. pref.	49	125	123	122	123
25	17¾	.76	4.2	Southam	365	19	19	18	18
31	22	.	...	South. Invest.	5826	.27	.28	.25	.26
10	6		...	St. Law. Corp.	1315	6	6¾	6	6½
39½	24¾	1.00	3.8	Do. (A)	780	24¾	27½	25½	26½
41	35	1.60	4.6	St. Law. Flour	125	35½	35½	35½	35½
112	83	3+■3†	3.2	St. Law. Pap. p	670	92½	94	91½	93½
16½	9	■.50	...	Stand. Chem.	1730	9	9¾	9	9½
106	100	5.00	4.9	Do., pref.	45	102	102	102	102
15	12	.	...	Stand. Clay	10	15	13¾	13¾	13¾
10½	5¾	.	...	St. Pav. & Mat.	480	6	6	6	6
24	18	.62½	3.1	Do. pref.	130	18	20	19	20
12½	10½	.	...	Stand. Brick A	50	11	10½	10½	10½
8	7	■.20	...	Do. (B)	10	7	7½	7½	7½
9½	5½	.40	7.3	Stand. Radio	200	6½	5½	5½	5½
20½	10½	.60	3.5	Stedman Bros n	75	18	17½	17	17
93	73	3.00	3.7	Steel of Canada	1233	78	81	78	80½
95	77	3.00	3.3	Do. pref.	415	[illegible]	90	85	90
10	7	.	...	Sterling Coal	100	9½	9½	9½	9½
27½	21½	.80+■.10	3.2	Tamblyn	140	24	24	22½	24
54½	52¾	2.00	3.7	Do. pref.	755	53¾	53½	53½	53½
7¾	5½	.50	8.0	Taylor Pear	125	6½	6½	6½	6½
12½	11¾	.50	4.1	Do. pref.	30	12½	12½	12	12½
35	30	■2.10	..	Thayers, pref.	10	30	35	35	35
46	36	1.00	2.8	Tooke Bros.	75	41	36	36	36
170	143	■6.75	..	Tor. Gen. Tr.	28	167	167	166	167
14	11	.60	5.2	Toronto Iron	250	11½	11½	11	11½
130	110	5.00	4.4	Tor. Mtge.	90	115	113	113	113
105½	103	4.50	4.3	Trad Fin 4½% p	50	103¾	103¾	103¾	103¾
21¾	18	1.00	5.0	Do. A Rights.	200	21½	20	20	20
183	165	7.00	3.9	Tuckett Tob. p.	410	180	182	182	182
26	15	.	...	Twin City	725	15½	14¾	13¾	14¾
12¾	8¾	.	...	Union Gas	1370	9	9½	9	9
31	26	.	...	Un. Amuse. A.	20	31	31	31	31
32	27	1.50	4.8	United Corp. A	10	31	31	31	31
36	10	■.10	...	United Distill.	200	23½	26	24½	26
58	40¾	3.00	6.3	United Fuel, pf	95	49	48	47	47½
11	5¾	.	...	Do. B pref.	60	6	5¾	5¾	5¾
20½	16	■1.00	..	United Grain A	46	18	18½	17¾	18½
13½	8½	■.17½	..	United Steel	5380	9¾	10½	9½	10½
22	15	.	...	Viau Bisc.	56	20	20	20	20
106	100	5.00	5.0	Do. pref.	3	102	100	100	100
8	7½	■.28	...	Viceroy	40	8	7½	7½	7½
90	74¾	4.00	4.8	Wabasso Cot.	35	80	83	81½	83
159	108	4.00	3.4	Walker-Good.	2877	115	119½	108	119½

Range 1946 High	Low	Div R'te $	Sept27 Y'ld %		Sales	Last Sept. 20	Week end. Sept. 27 H	L	Cl'se
14½	9½	■.25	...	West Brew	100	12½	12½	12½	12½
220	145	3.00	2.0	West Grocers	6	205	150	150	150
30	23	■.50	...	Westeel	70	23	23	23	23
36¾	25	.80	3.1	Weston, George	480	25¾	26¾	25¾	26
108½	104½	4.50	4.2	Do. 4½% pref.	30	106	108	106	108
27	22½	1.00	4.4	Wilsils	35	22½	23	23	23
13½	11	.	...	Windsor Hotel	134	13½	13½	13	13½
21½	10	.	...	Winnipeg El. A	2785	10½	12	10½	11½
105	94½	5.00	5.0	Do., pref.	35	99	99¾	99	99¾
135	117	7.00	5.4	Wood, A & J p	10	130½	130	130	130
56	39½	2.00	3.9	Woods Mfg.	50	55	51	51	51
19	14	.40	2.7	York Knitting	50	14¾	15	15	15
45	34	1.00	2.9	Zellers	125	35	35	35	35

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲N. Y. funds. ‡Extra. xOn arrears.

Mining Stocks

Week Ended Sept. 27

Range 1946 High	Low	Div. Rate $	Sept. 27 Yield %	Company	Sales	Last Sept. 20	Week Ending Sept. 27 High	Low	Close
.35	.08			Goldboro	22,000	.21	.24	.20	.21½
1.15	.33			Goldvue	8,500	.42	.42	.37	.40
.12½	.05			Goodfish	7,000	.06	.05	.05	.05
.25	.10			Grull W.	4,000	.12	.10½	.10	.10½
.60	.30			Gunnar G.	8,900	.35	.44	.35	.41
.18	.05			Halcrow	500	.08	.07	.07	.07
.10	.04			Halliwell G.	1,400	.05	.05	.04	.05
6.00	4.10	‡.21		Hallnor	200	4.90	4.80	4.75	4.75
1.24	.59½			Hard Rock	17,410	.65	.63	.59½	.61
.31	.11			Harker	6,800	.15	.16	.11	.11
.35	.16			Harricana	16,300	.27	.26½	.23½	.23½
2.70	1.00			Hasaga	5,451	1.20	1.20	1.10	1.14
.31	.11½			Headway	11,800	.12½	.13	.11½	.12
.69	.19			Heath	3,500	.22½	.24½	.23	.23
3.60	1.16			Hedey M.	16,050	1.28	1.30	1.16	1.30
.70	.52			Heva G. M.	34,900	.63	.63	.58	.61
.24½	.16			High Bridge	129,500	.21	.22	.19	.20
19.75	10.00	‡.20		Hollinger	4,853	10.75	11.00	10.15	10.50
.35	.13			Homer Y'fe	11,300	.14	.15	.13	.13
.72	.36			Hosco	18,700	.47	.50	.48	.49½
.73	.34	•.01		Howey Gold	7,600	.34	.35	.35	.35
50.00	35.00	2.00	5.6	Hudson Bay	2,395	36.00	37.50	35.50	37.25
.65	.25			Hudson R.	1,189	.30	.30	.30	.30
.30	.07			Hugh Mal.	3,500	.09½	.09¾	.09	.09
.80	.27			Indian L.	29,900	.31	.36	.31	.38
1.65	.70	‡.02		Inspiration	1,625	.80	.75	.60	.60
2.09	.68			Int. Uran.	16,900	.73	.85	.68	.84
2.30	1.36	†.05		Island M.	800	1.41	1.50	1.50	1.50
.11	.03			Jacola	500	.05	.05½	.04½	.05
1.15	.15			Jack Lake	41,600	.19½	.19¾	.15	.17
.41	.12			Jacknife	4,500	.15	.17	.15	.15
.65	.35			Jason M.	15,300	.52	.56	.51	.52
.19	.06			Jellicoe	500	.07½	.06½	.06½	.06½
2.25	.45			Joliet Que.	22,450	.70	.73	.67	.70
.37	.10			Kay Rand.	7,000	.15½	.15	.11	.14
1.75	.51			Kenville	17,100	.65	.85	.67	.75
17.87½	11.25	‡.25		K. Addison	8,555	12.50	13.50	12.15	13.25
.90	.30	‡.05		Kerr Lake	35	.85	.40	.30	.40
2.30	.75			Kirk H. Bay	600	1.00	1.00	.75	.75
2.90	1.20	‡.08		Kirkland L.	15,500	1.33	1.30	1.22	1.30
.55	.16			Kirk Town.	3,000	.18	.18	.18	.18
11.00	4.55			Labrador	8,890	6.05	6.75	6.05	6.40
.65	.23			Laguerre	22,200	.38	.46	.39	.41
1.42	.45	†.02		L. Dufault	7,800	.70	.79	.72	.72
.19½	.09			L. Fortune	12,300	.10	.10	.09	.09
.42	.19½			L. Rowan	7,500	.23	.23	.19½	.20
26.75	13.00	†.58		Lake Shore	3,145	13.35	14.75	13.00	14.50
8.00	4.50	†.22		La Luz	106	4.80	4.90	4.60	4.90
8.75	5.55	†.18		Lamaque G.	600	6.00	6.00	5.75	5.75
.22	.07½			Lapa Cad.	3,100	.11½	.12	.11	.12

Oil Stocks

Range 1946 High	Low	Div. Rate $	Yield %	Company	Sales	Last Sept. 20	High	Low	Close
.18	.05			Pacalta	3,500	.08	.09	.07½	.09
1.65	.70	.10		Pac. Pete	6,100	.75	.75	.70	.73
.05½	.02½			Phillips P.	1,000	.02½	.02½	.02½	.02½
1.57	.55			Roxana	13,100	.70	.73	.70	.72
.05½	.03			Royal Can.	1,000	.03	.03½	.03½	.03½
25.50	15.00	1.00	6.1	Royalite	479	15.00	16.50	15.00	16.50
.40	.16			So. West Pete	100	.16	.16	.16	.16
.14	.07			Spooner	20	.08½	.07	.07	.07
.10½	.07½	‡.01		Sunset	2,700	.08½	.08	.07½	.08
.25	.20			Superior	1,000	.22½	.22	.22	.22
1.45	1.10			Texas Can.	60	1.25	1.15	1.15	1.15
.14½	.07			United Oils	300	.07½	.07½	.07½	.07½
.40	.18			Vulcan	1,500	.18	.19	.18	.19

* Paid in 1944. • N. Y. Funds. † Paid in 1945. s Extra.
■ Sub. appl. F. E. C. B. Repayment. ‡ Paid or payable in 1946. ‡ Capital

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Sept. 30	202,400	1,254,000	44,070	1,390,000
Sept. 28	....	....	....	....
Sept. 27	157,600	934,000	42,650	1,230,000
Sept. 26	195,700	920,000	25,700	1,610,000
Sept. 25	199,500	1,112,000	52,755	2,280,000
Sept. 24	180,300	915,000	45,450	2,820,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Sept. 27 Bid	Ask
Algoma Steel pf.	5.00	101	100	101
Assoc. T. & T. A.	•1.02	101	..	..
Do., pref.	•1.19	[illegible]	..	..
Auto Fabrics (A)	■.15	11½	11	..
Ault & Wiborg	5.50	107	104½	107
Beath & Sons	■1.00	21	..	..
Belding Cort.	■7.00	160	..	162
Do., pref.	7.00	175	167	176
Belgium Glove pf.	...	20	18½	20
Biltmore Hats	.40	12¼	12½	12½
Do., pref.	1.00	21½	21½	22½
Blue Top Br. (A)	■.48	40	25	35
Brand. Hender.	...	13	13	..
Brant. Cord.	.50	11½	..	12½
Cna. Inger. Rand	2.00	65	65	..
Can. Int. Tr.	...	2½	3	4
Do., pref.	5.00	101	99	..
Can. Oil pref. 5%	5.00	105½	105½	107
C. Pr. & Pa. In.	...	2	1½	2
Do., pref.	...	10	11	14
Can. Tire	1.00	29½	..	..
C. Wallpaper (A)	■1.00	25½	..	..
Can. Shipbldg.	.60	11	..	..
Do., pref.	.40	9	3	..
Capital Estates	▲■.75	8	..	..
Carnation pfd.	▲4.00	116½	106½	..
Catelli Food	■.30	21	21	..
Cassidy's pfd. ..7+▲3.50x		145	140	160
Celtic Knit	■.20	7	..	..
Cent. Can. L'n	8.00	185	181	..
Do., pref.	5.00	110	108½	..
Dom. Dairies pf.	1.75	33½	..	34
Dom. Envelope	†.20	6	..	..
Do., pref.	3.00	54	50	..
Dom. Fabrics	.80	14½	13	14½
Do., pref.	3.00	54	50	..
Do., 2nd pref.	1.50	29½	28½	..
Dom. Glass pf.	■.35	38	36	38
Dom. Malt.	■.85	29	27	..
Do., pref.	5.00	106½	102	105
Dom. Scot. Inv.	■2.00	4½	4	4¾
Do., pref.	▲1.50	44	40	44½
Dom. Textile pf.	7.00	184	..	18½
East Koot. Pr.	...	2	2	4
East. Theat.	•.50	18½	20	..
Economic Inv.	■2.00	40	35½	40
Holt Renfrew	...	45	40	..
Do., pref.	7.00	175	170	..
H. Smith Pap. p.	2.00	52	53	..
Humberstone S.	▲1.25	23	21	27
Hunts (B)	■.20	9¾	..	15
Huron & E. Mt. 20% pd.	4%	20	20	22
Hubbard pf.	...	30	30	31
Imperial Varnish	.60	15	12¾	13
Inter-City Bak.	3+1‡	80	..	82
Inter'c Coal	2.00	29	25	27½
Do., pref.	8.00	130	130	..
Int. Hydro El.	.50	9¾	7½	8¾
Int. Mill., pf.	▲4.00	115	106½	..
Int. Nickel pf.	▲7%	123	150	..
Int. Paints pf.	1+1x	30	..	32
Int. Power	...	47	45	50
Moore Corp. p. (A)	▲7.00	298	265	305
Do., pref. (B)	▲7.00	320	390	430½
Morrison Brass	...	4	4	50
Murphy Paint	5.50	105	..	..
Nat. Breweries p.	1.75	47½	..	50
Nat. Grocers pf.	1.50	28¾	28	28½
Nat. Hosiery (B)	...	8½	8½	8½
Neon Prod.	.60	12¾	..	..
Niag. W. Weav.	...	25½	21	25
N. Star Oil p. ..35+.08‡		6½	6	..
Nor. Can. Mtge.	■.50x	13½	14	..
Nor. Trusts	■.80	21½	..	19
N. S. L. & Pr.	...	110	108	110
Do., pref.	6.00	112	108	112
Ontario Loan	5.00	116	114¾	..
Ont. Steel	1.00	19	19	..
Do., pref.	7.00	120	120	..
Ott. Car Air.	•.50	6	5	6½
Pacific Coyle	.03	36	..	..
Pantepec Oil	■▲.64	14	8	..
Paton Mfg.	4.00	85	..	..
Silverwoods pf.	...	17½	16½	..
St. Law. Flour pf.	7.00	160	..	..
Sterling Trust	4.00	105	102	110
Stowell pf. (A)	...	2½	9½	9
Do. (B)	1.50	28	27	28
Stuart, D. A. p. ..30+.25‡		21	18¾	21
Sup. Pete. ord.	1.00	50	..	..
Do., com.	1.00	35	..	..
Thrift Stores	■.80	16½	16	16½
Do., pref.	1.62½	37	..	..
Theatre Props.	...	4	4	5
Tip Top Tailors	...	20	18	19
Tor. Elevators	•1.00	42	40	41¾
Toronto Iron (B)	.60	12¾	..	12
Traders Bldg.	4+1‡	80	..	75
Traders Fin. (A)	1.00	32	27	32
Do. (B)	1.00	34	30	..
D.o (B) rights	1.00	21	20	..
Un. Amuse. (B)	...	31	..	..
United Corp. (B)	■.75	20	18½	23
United Secs.	...	8	7	9
West. Grain	...	2.25	..	3.00

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co. Inc., and Plaxton, MacDonnell & Co.)

Sept. 30, 1946

	Bid	Ask
Aikenhead Hardware Co.	75.00	80.00
Allens Kingston units	71.00	....
Allens London Thea. pfd.	54.00	....
Allens St. Catharines un.	60.00	....
Allens Toronto units	39.00	....
Anglo Can. Telephone A	10.75	11.50
Beach Foundry pfd.	85.00	....
Brinton Peterboro Carpet	90.00	....
British American Assur.	60.00	....
British Mortgage & Trust.	165.00	....
B. C. Sugar	96.00	98.00
B. C. Telephone 1st pfd.	116.00	119.00
Brockville Trust $50 par	50.00	....
Canada Machinery com.	16.50	18.50
Canada Tea pfd.	75.00	....
Canada Paving 1st pfd.	7.50	....
Canadian Airways	3.00	4.00
Can. Co-op. Woolgrowers	8.00	10.00
Canadian Fire Insce.	90.00	....
Can. Indemnity	175.00	....
Can. Ingersoll Rand	....	62.00
Can. Investors Corp.	7.75	8.75
Canadian Motor Lamp A	12.00	13.50
Can. West Nat. Gas com.	38.00	....
Can. West Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	75.00	85.00
Capital Wire Cloth com.	9.00	....
Capital Wire Cloth pfd.	23.00	....
Cawthra Apts. units	4.50	....
Chase A. W. units	32.00	....
Colonial Realty com.	7.00	....
Colonial Steamships com.	80.00	83.00
Commercial Finance com.	12.00	14.00
Commercial Life 10% pd.	7.00	9.00
Commonw'lth Inter. Corp.	3.48	3.82
Confed. Life Assur. 30% pd.	150.00	....
Continental Life 20% pref.	30.00	....
Crown Life Ins. 100% pd.	310.00	....
Debent. & Securities pfd.	95.00	....
Detroit Inter. Bridge	12.00	14.00
Dom. Can. Gen. Insce.	200.00	....
Dominion Life Assur.	200.00	....
Dover Industries Ltd.	13.00	14.00
Dunlop Tire pfd.	26.00	26.75
Edmonton Stock Yards un.	68.00	....
Empire Life Ins. 25% paid	16.50	18.50
Excelsior Life Ins. 40%	98.00	....
Fed. Found. & Stl., new c.	1.75	2.50
Foreign Power Sec. pfd.	12.00	14.00
Galt Brass com.	28.00	....
Goderich Elev. & Trans.	15.75	17.00
Great Lakes Power pfd.	112.50	115.00
Great West Life	405.00	....
Guardian Realty pfd.	35.00	....
Guaranty Co. of N. Amer.	300.00	....
Guelph and Ont. Svgs. $50	56.00	....
Gurnney Foundry pfd.	3.15	3.50
Hart Battery com.	8.25	8.50
Highland Dairy pfd.	56.00	....
Homewood Sanitarium	110.00	....
Hudson's Bay ord.	13.00	....
Imperial Life	335.00	390.00
Indust. Mtge. Trust $50	52.00	....
Ingram & Bell pfd.	98.00	....
Lambton Loan & Inv. $50	57.00	....
Loblaw Groc. Inc.	22.00	22.75
London & West. Tr. $100	102.00	....
Manufacturers Life Ins.	300.00	....
Midland Loan & Svgs. $10	18.50	....
Moirs Limited pfd.	128.00	132.00
Monarch Life Assoc. 20%	90.00	95.00
Monarch Mtge. units	3.50	4.50
Montreal Island Power pfd.	....	40.00
Montreal Trust Co.	93.00	....
Morrow Screw com.	16.00	....
Morrow Screw pfd.	101.00	....
National Drug & Chem. com. new	6.50	7.00
National Drug & Chem. pfd. new	14.00	14.50
National Drug & Chem. com. old	9.25	10.00
Natl. Life Assce. 25% pd.	75.00	80.00
Neilson, Wm. com.	18.00	....
Neilson, Wm. pfd.	102.00	....
New Brunswick Telephone	13.00	15.00
New Method Laundry un.	97.00	....
North Amer. Elev. 1st pfd.	85.00	....
Ont. Beauty Supply com.	2.25	2.75
Ont. Tobacco Plant units	34.05	....
Paramount Kitchener units	35.00	....
Paramount Oshawa pfd.	95.00	102.00
Provincial Bank of Canada	13.25	14.00
Prudential Trust	9.00	....
Ritchie Cut Stone pfd.	3.00	....
Ruddy, E. L., pfd.	145.00	....
Sawyer Massey com.	2.00	3.00
Seiberling Rubber com.	12.00	....
Sincennes McNaught. Tugs	2.25	....
Sherbrooke Trust	120.00	....
Sovereign Life Assce. 25%	35.00	....
Standard Fuel com.	4.50	6.00
Sun Life Assce.	500.00	525.00
Third Can. Gen. Inv.	3.75	4.10
Toronto Carpet pfd.	98.00	....
Toronto General Ins.	6.00	....
Trusts & Guarantee $100	105.00	....
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.00	27.50
Viceroy Mfg. pfd.	26.50	....
Victoria Trust & Svgs.	132.00	....
Waterloo Mfg. com.	8.00	9.50
Waterloo Trust & Svgs.	123.00	....
Western Assurance com.	63.00	67.00
Western Assurance pfd.	41.00	....
Western Grain comm.	1.75	2.25
Western Grain pfd.	43.00	45.00
York Trading com.	7.00	....

Unlisted Mines

Approximate quotations, 3 p.m., Sept. 29, subject to confirmation:

Abenakis	.06	.08
Advance	.07	.10
Alb R n	.29	..
Alcan	.05	.07
Alexander	.12	.15
Ama Kir	.10	.12
Aljo	.03½	.04½
Ana'que	.06½	.08
Anoki	.07	.10
Argonaut	.04	.06
Audley	.02	.04
Aurlando	.07	.10
Aurora Y	.34	.38
Auterra	.03	.05
Barb L n	.06	.09
Blondor	.05½	.07
Blue Grass	.05	.07
Bouzanne	.06	.09
Bourl Cen	.04	.06
Bradnor	.09	.11
Br Breest	.06	.07
Bravo	.04	.06
Brig R L	.09½	.11
Brock	.14	.16
Burley PO	.02	.03
Camlaren	.07	.09
Carlmac	.20	.23
Carricona	.03	.05
Cassidy	.18	.21
Cen Mani	.06	.08
Cheskirk	.15	.17
Chimo	.40	.45
Cock R L	.07	.08
Columbier	.07	.09
Con Chib	.23	.26
Con Cop	.16	.18
Courageo	.12	.15
Craibbe	.30	.35
Croydon	.06	.09
Cuyuni	1.05	1.15
Derlak	.06	.08
Despina	.24	.27
De Sant n	.07	.09
Dexter	.45	.50
Dom Mal	.02½	.03½
Dona Pat	.02½	.03½
Doris	.39	.42
Dunford	.07	.10
Eastward	.28	.32
Echo Indin	.09	.12
Electra	.10	.13
Elmac	.23	.26
Erin Kirk	.03½	.05
Eurek Co	2.20	.30
Flicka	.25	.28
Gilbec	.01	.03
Goodrock	.03	.04
Gordon L	.09	.11
Gov Gold	.08	.10
Greenlee	.20	.22
Gwillam	.07	.09
Habitant	.13	.15
Harp Mal	.03½	.04
Hayes Cd	.03	.04
Hornfault	.13	.15
Hoyle	.18	.21
Hugh P P	.09	.11
Independ	.10	.12
Indyke	.15	.17
Joannes D	.04	.06
Kamlac	.31	.33
Ken-Bay	.08	.13
Kencour	.04	.07
Kenda Pe	.34	.37
Kenroy	.03	.05
Lake Rowan 1945	.18	.21
Lk Expa	.07	.09
Lar-Add	.07	.08
Larder U	.07	.09
La Salle	.12	.14
Lavalie	.09½	.11
Legardo	.02	.04
Lennie	.15	.18
Lingnora	.11	.13
Louvore	.02	.04
Major Oil	.05	.06
Mallen RL	.13	.16
Manterre	.05	.07
Marbenor	.24	.26
Marquette	.03	.05
Mar Bird	.09	.11
Mary Ann	.19	.21
Mat Con	.22	.25
Mate Yel	.07	.09
Metalore	.08	.10
Mic of Cr.	1.75	2.25
Miles R L	.18	.20
Moffat H n	.02½	.03½
Mohawk P	.03	.06
Murbell	.03	.04
Murmac	.15	.18
McCuaig	.10	.12
McManus	.12	.14
Nat Mal	.26	.29
Nayb '45	.34	.38
Nereco	.23	.25
New Aug	.09	.11
New Mal	.05	.07
Nic Off	2.25	2.75
Norbeau	.70	.80
Norcourt	.11	.13
Norford	.09	.11
Normar	.10	.12
Nortyne	.04	.06
Novele P	.08	.10
Obalski	.15	.17
1945	.39	.42
Obaska	.23	.26
Oklend	.06	.08
Olivet	.03	.04
Opemiska	.20	.23
Ortona	.06	.08
Orpit	.06	.08
Pascalis	.22	.25
Peg Tan	2.50	.70
Pelangio	.11	.12
Phelps	.04	.06
Pinnacle	.04½	.06
Poona Go	.01	.03
Presdor	.03½	.04½
Privateer	.54	.58
Quest	.28	.31
Rajah R L	.07	.09
Rambull	.03	.04
Rand Mal	.10	.13
Raym Tib	.05	.07
Rebair	.25	.27
Redruth	.03½	.05
Redwood	.07	.09
Richgroup	.08	.12
Ritoria	.05	.08
Rhyolite	.03	.04
Rugged	.33	.36
Rupununi	.43	.46
Salmita	.25	.29
Santiago	.43½	.46
Sepha	.06	.08
Sheldon	.41	.44
Skyn Lk	.03	.05
Sovereign	.15	.18
Steeber	.02	.04
Sun Bear	.06½	.08
Thornhill	.06½	.07½
Tiffany	.04½	.06
Tobico	.01	.03
Tovarich	.03	.04
Typhoon	..	.25
Val d'Bel	.06½	.08
Vin Min	.68	.72
Vinray	.14	.16
Virginia	..	.22
Wesley	.03	.04
West R L	.06	.08
W Shore	.02½	.03½
Wilwood	.06	.07
Winchest	.17	.19
Wingait	.09	.12
Yel'knife	2.30	2.40
Y Davids	.22	.24

Significant Investors' Index Numbers

No. of Securities	Mach. and equip 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.8	126.3
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1946: Monthly Figures:												
Jan.	168.2	252.6	130.6	90.0	183.7	127.8	357.6	149.0	125.7	121.6	148.6	122.9
Feb.	172.9	248.5	132.1	84.8	187.8	130.3	334.0	150.5	122.7	126.8	146.0	121.8
Mar.	189.2	244.4	130.6	81.6	186.8	129.0	327.8	148.6	121.7	129.2	142.4	119.2
Apr.	207.0	277.3	141.4	84.6	200.2	134.6	353.8	160.6	124.8	133.6	145.4	125.1
May	205.7	278.3	140.8	74.7	208.3	136.6	410.6	164.0	117.8	134.2	140.7	124.6
June	202.1	282.5	141.7	73.1	210.3	136.4	410.3	167.0	110.0	135.0	138.4	122.3
July	190.0	266.1	140.0	71.8	206.4	134.0	430.2	157.3	109.8	133.3	132.2	119.1
Aug.	187.6	278.6	139.4	70.8	207.9	129.9	430.5	154.1	109.9	132.3	130.3	116.8
1946: Weekly Figures:												
Sept. 5	171.7	249.8	131.4	69.0	190.1	123.9	391.2	143.0	104.0	127.7	123.7	110.4
Sept. 12	161.8	225.0	121.0	64.2	187.8	125.0	349.5	134.6	101.2	121.5	119.0	104.8
Sept. 19	152.5	211.7	118.1	63.2	183.8	122.7	322.4	132.3	100.6	120.3	114.0	99.9
Sept. 26	159.3	226.0	119.7	64.0	185.9	123.2	342.9	135.8	106.2	125.1	119.0	103.7

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Sept. 30	176.62	94.32	78.28	21.66
Sept. 28	......	.....	.....	.....
Sept. 27	176.75	95.28	78.87	21.65
Sept. 26	175.51	95.50	79.52	21.68
Sept. 25	174.12	95.08	79.50	22.12
Sept. 24	172.08	92.82	78.53	22.08
Month ago	202.86	103.67	89.49	23.75
Year ago	155.67	129.29	80.59	28.11
1946 High	207.83	147.31	108.20	33.69
1946 Low	168.51	91.36	76.13	21.65

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Sept. 30	73.4	121.6	105.5	310.12	72.64
Sept. 28	....	.....	.....	......	.....
Sept. 27	73.6	122.2	106.0	309.20	73.37
Sept. 26	72.5	120.8	104.7	310.66	73.02
Sept. 25	72.5	119.2	103.7	306.50	72.48
Sept. 24	71.3	117.6	102.2	299.86	71.80
Month ago	75.3	130.2	111.9	330.83	75.86
Year ago	65.3	109.4	94.7	229.98	90.30
1946 High	83.9	149.4	126.7	410.80	118.30
1946 Low	71.3	115.7	101.0	280.78	70.38

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Sept. 30	172.42	47.72	34.45	61.86
Sept. 28	......	.....	.....	.....
Sept. 27	174.09	48.42	34.78	62.53
Sept. 26	174.96	48.68	34.87	62.83
Sept. 25	172.95	48.00	34.59	62.09
Sept. 24	168.89	47.14	34.29	60.88
Month ago	178.68	52.61	36.33	65.28
Year ago	183.47	57.49	34.91	68.10
High 1946	212.50	68.31	43.74	79.44
Low 1946	165.17	45.69	33.47	59.73

Grain Prices

Winnipeg Grain Futures

Week to Sept. 30, 1946

Crop year from Aug. 1, 1946 High	Low		High for week	Low for week	Close Sept. 30
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.87	1.50⅞	Oct.	2.41¾	2.26¼	2.37½
2.77⅝	1.72½	Dec.	2.33⅞	2.16⅝	2.29⅛
2.28⅝	1.69½	May	2.28⅝	2.12⅞	2.25¼

*At ceiling.

Cash Quotations

For Week	Sept. 30 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	2.40	2.27⅞	2.30	2.20

*At ceiling.

	Div. rate $	Last sale	Sept. 27 Bid	Ask
Bouzan	...	.09	.08	..
Brazil Gold	...	.08	..	.11
Bruce Cons.	...	.01	..	.04
Celta Dev.	...	.30	.10	..
Cent. Manitoba	...	.06½	.06	..
Coast Copper	...	1.45	..	..
Cryderman	...	.01½	..	.01½
Douglas Lake	...	.10	..	..
Flin Flon	...	.02½	.02½	.03
Forty-Four	...	.72	.60	.75
Golconda	...	.20	..	..
Graham Bosquet	...	.13	.09½	.11
Grandoro	...	.14	.10	.14
Grandview	‡.01	.20	..	..
Great Falls M.	...	.02	..	.04½
Int. Mining	...	10.00	..	..
Island Lake	...	.03½	.02½	.05
Jack Waite	...	.15	.16	.17
J. M. Cons. Gold	...	.03¾	.03¾	.05
Knee Lake	...	.02½	..	.04
Kootenay Belle	...	.10	..	.11
Maralgo	...	.07½	.06½	.13
McGillivray C.	...	.20	.19	.23
McLellan Gold	...	.05	.03	.05
New Louvre	...	.10	.14	..
Norgold	...	.07	.07	.08½
Normandy	...	.03½	.03½	.07
Northern Empire	†.10	2.30	1.75	..
Pacific East	...	.35	..	..
Pacific Nickel	...	.15	.17½	..
Packsack Dev.	...	.03	.02½	.03½
Placer Devel.	†.50	14.00	14.00	..
Proprietary	‡.30	13.00	12.25	14.00
Prospectors Air's	...	.47	.41	.55
Red Cloud	...	.02	..	.02½
Red Crest	...	.11	.10	..
Red Hawk	...	.08	.07½	.10
Rice Lake	...	.02½	..	.02½
Ryanor	...	.15	.11	.20
S. Amer. G.	†*.20	1.10	..	..
Squaw Lake	...	.34	..	..
Star Lake	...	.02	..	.02
Sunloch	...	.02	..	..
Tiblemont	...	.15	.15	..
Villbona	...	.10	.10	..
Winnipeg R. Tin	...	.01	.01½	.01½
Yellorex	...	.35½	.25	.30
Oil Stocks:				
Acme Gas & Oil	...	.07	.06¾	.08
Admiral	...	.09	..	.06
Ajax	...	2.02	..	..
Anaconda	...	.04¾	.04	.04½
Arrow	...	.05	..	..
Fed. P.	...	.38	..	..
Freehold	...	.01½	.01½	..
Hargal	...	.03	.03½	..
Jumping Pound	...	.18	..	.13
Kilalto	...	.13	..	..
Lowery	...	.01	..	..
McD. Segur.	...	.06	.05	.08
Marvel	...	.01½	.02½	.08
Mar Jon	...	.00½	..	..
Merland	...	.02	..	..
New Ranch	...	.01½	..	.08
Nordon	...	.14	.14	..
Princess P.	...	.06	..	.09
Richfield	...	.01½	.01½	..
Richland	...	.04½	..	..
Royal Crest	...	.05½	..	..
Share Roy.	...	.02½	.02	.025
So. Brazeau	...	.04	..	..
South End	...	.10	..	..
Trans Alta.	...	.02	.01	..
Turner Valley	...	.10	.15	..
Vanalta	...	.09¾	.11¾	.15
Warner	...	.00½	..	..
Wellington	...	.02	..	..

‡Paid or payable in 1946. *N. Y. funds.
†Paid in 1945.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.43	$12.15	$10.69
Hogs	19.72	19.97	17.60
Copper, lb.	*.14⅛	.14⅛	.12
Sugar, raw, lb.	*.04205	.04205	.04205
Coffee, lb.	.17695	.17695	.09⅜
Hides	*.15⅛	.15⅛	.15⅛
Weekly Indices			
U. S. Labor	123.8	121.7	104.9
Dow Jones	125.08	123.80	100.36
Fishers	131.5	131.3	114.8
Monthly Indices			
Retail (Aug.)	125.6	125.1	120.3
W'sale (Aug.)	116.9	119.1	99.6
U. S. (July)	112.9	124.3	105.9
Gt. Brit. (Apr.)	172.5	171.9	168.4

Note:—The base of indices is that 1926 equals 100. *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Oct. 1, 1946

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	105½	105¾
3	Mar. 1954	105¼	106¼
3	Nov. 1956	105¼	106¼
3	May 1957	104¾	105¼
3	Jan. 1959	104¾	105¼
3	June 1960	104¾	105¼
3	Feb. 1962	104¾	105¼
2	Dec. 1946	100	100¼
2¼	Mar. 1948	101¼	101¾
1½	Nov. 1946	100	100¼
1½	May 1947	100¼	100½
1½	Mar. 1948	100½	100¾
1½	Nov. 1948	100½	100¾
1½	Nov. 1950	100¼	101¼
3	Oct. 1963	104¾	105¼
3	Sept. 1966	104¾	105¼
1½	Nov. 1949	100¼	101¼
Dom. of Canada Bonds			
3½	Nov. 1951	103¼	103¾
4	Oct. 1952	102¾	103¼
3½	Feb. 1952	104¾	105¼
3	Oct. 1952	103¼	103¾
2	June 1955	104¼	104¾
4½	Nov. 1956	100¼	101¼
4½	Nov. 1957	103½	103¾
3	June 1958	104¼	105
4½	Nov. 1958	105¼	106
4½	Nov. 1959	107¼	108¼
3½	June 1966	106	106¾
3	Perpetual	103¾	104¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103¼	104¼
4½	Sept. 1951	112	113¼
4½	Feb. 1956	119	120½
4½	July 1957	119½	121
3	Feb. 1953	101¼	102¾
4½	June 1955	120	121¼
5	Feb. 1954	117¼	118¼
5	Feb. 1970	115¼	117
5	Oct. 1969	115	116¼
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	120	122
Grand Trunk Pacific Rly.:			
3	Jan. 1962	107	109
4	Jan. 1962	118	120
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	100¾	102¼
3½	Aug. 1949	100¼	101¼
3½	June 1956	103¼	105
4½	Apr. 1961	118	120
5	Jan. 1960	122	124
Nova Scotia:			
3	Jan. 1952	103	104¼
3½	June 1956	104¼	106
3½	Nov. 1960	104¾	106¼
4½	Sept. 1952	103¼	104
4½	Nov. 1960	118¼	121
5	Mar. 1960	123¼	125¼
Ontario:			
3	Nov. 1950	101	102
3½	Nov. 1951	103¾	105¼
3½	May 1955	105¾	107¼
4	June 1962	115¼	117¼
4½	June 1950	109	110¼
4½	Jan. 1962	121¼	123¼
5	Oct. 1948	105¾	107¼
5	Dec. 1960	126	128
Ont. Hydro Commission:			
3½	Feb. 1953	104	105¼
Prince Edward Island:			
4	Mar. 1954	102	105
Quebec:			
3½	Mar. 1948	101	102¼
3½	Mar. 1959	105¼	106¾
4	Nov. 1952	106¼	108
3½	Feb. 1955	106	108
4½	Aug. 1958	113¼	115
4½	Jan. 1963	117¼	120
Alberta:			
3½	June 1964	101	103
3½	June 1966	101	103
3½	June 1968	101	103
3½	June 1972	101	103
3½	June 1978	101	103
British Columbia:			
4	Dec. 1957	110¾	112¼
4½	Jan. 1951	109	111¼
4½	Oct. 1953	113¼	115¼
5	Apr. 1954	116¼	118¼
Manitoba:			
4	Mar. 1957	112	114
4½	Dec. 1956	115	117
5	Dec. 1959	122¼	124¼
5½	Oct. 1955	117¼	...
Saskatchewan:			
4	Sept. 1954	101¼	102¼
4	Nov. 1960	102¾	104¾
4½	Oct. 1951	105	107
4½	Mar. 1960	107¼	109¼
5	Aug. 1958	112¼	115
5½	Oct. 1952	109¼	111¼
6	Mar. 1952	111	113

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surpass	.45	Dec. 2	Oct. 31
Aluminum Co.	.25	Dec. 1	Oct. 30
Anglo Can.	*.56¼	Nov. 1	Oct. 10
Atlas Steels	.50	Nov. 1	Oct. 16
Bank of N. Scotia	.30	Nov. 1	Oct. 16
Bathurst Pwr. & P.	.25	Dec. 2	Nov. 4
Bell Tele.	2.00	Oct. 15	Sept. 16
Biltmore Hats	.10	Oct. 15	Sept. 30
Do., pfd.	.25	Oct. 15	Sept. 30
Brant. Cordage	.12½	Oct. 15	Sept. 20
Do., pref.	.32½	Oct. 15	Sept. 20
B. A. Assurance	1.50	Oct. 1	Sept. 27
Brockville Trust	.62½	Oct. 1	Sept. 20
Brazilian Tract.	1.00	Dec. 2	Oct. 11
B. C. Power	.40	Oct. 15	Sept. 30
Calgary & Ed.	.05	Oct. 15	Sept. 16
Can. Industries	.15	Oct. 31	Sept. 30
Do., 7% pf.	1.75	Oct. 15	Sept. 13
Can. N. Pwr.	.15	Oct. 25	Sept. 20
Do., 7% pfd.	1.75	Oct. 15	Sept. 20
Comb. Enterprise	1.25	Oct. 15	Sept. 16
Cockshutt Plow	.25	Dec. 2	Nov. 2
Confed. Life	1.50	Dec. 15	Dec. 10
Can. Oil Co.	.15	Nov. 15	Nov. 1
Com. Alcohol	.05	Oct. 15	Sept. 30
Do., 8% pf.	.10	Oct. 15	Sept. 30
Cons. Textile	*.50	Dec. 2	Nov. 1
Can. Bk. of Comm.	.20	Nov. 1	Sept. 30
Can. Fairbanks-M.	1.50	Oct. 15	Sept. 30
Can. Steamship	.50	Oct. 15	Sept. 20
Can. Gen. Inv.	.15	Oct. 15	Sept. 30
Can. Invest.	.10	Nov. 1	Oct. 7
Crown Cork & Seal	.50	Nov. 15	Oct. 10
Dist. Seagrams 5% pref.	†.37½	Nov. 1	Oct. 10
Dome Mines	.27½	Oct. 30	Sept. 30
Dom. Bank	.25	Nov. 1	Oct. 15
Dom. Coal	.37+.38	Oct. 31	Sept. 27
Dom. Dairies 5% p.	.44	Oct. 15	Sept. 30
Dom. Fabrics	.20	Nov. 1	Oct. 15
Do., pf.	.75	Nov. 1	Oct. 15
Do., pf.	.37½	Nov. 1	Oct. 15
Dom. Life Assur.	.31¼	Sept. 30	Sept. 26
Dom. Glass	.25	Oct. 15	Sept. 30
Do., 7% pf.	.35	Oct. 15	Sept. 27
Dom. Oilcloth	.30+.10	Oct. 31	Oct. 1
Dom. Tar & Chem.	.25	Nov. 1	Oct. 1
Dom. Textile 7% pf.	1.75	Oct. 15	Sept. 16
Dom. Woollens	.20	Nov. 1	Oct. 15
Donnacona Pap.	.50	Nov. 1	Oct. 1
Esmond Mills	.25	Nov. 1	Oct. 5
Foundation Co.	.35	Oct. 18	Sept. 30
Fraser Cos.	.50	Oct. 25	Sept. 30
Gen. Trust	1.25	Oct. 15	Sept. 30
Goody'r Tire 4% pf.	.50	Oct. 30	Oct. 1
Great Lakes Pwr.	1.75	Oct. 15	Sept. 30
Guaranty Trust	1½%	Oct. 15	Sept. 30
Humberstone Shoe	1.25	Oct. 7	Sept. 16
Imper'l Bk. of Can.	.25	Nov. 1	Sept. 30
Int. Bronze	.85	Oct. 15	Sept. 15
Do., 6% pref.	.37½	Oct. 15	Sept. 15
Int. Milling	1.00	Oct. 15	Sept. 30
Intnl. Nickel	1½%	Nov. 1	Oct. 2
Inv. Foundation, pf.	.75	Oct. 15	Sept. 16
Journal Pub. Co.	.17	Oct. 15	Sept. 18
Kerr-Addison	.05	Oct. 29	Sept. 30
Kirkland Lake	.01	Nov. 1	Sept. 28
John Labatt	.25	Oct. 15	Sept. 28
L. St. Joh. Pr.	.50+1.00	Oct. 15	Sept. 23
Langley's 7% pfd.	.50	Dec. 11	Dec. 4
Lewis Bros.	.15	Oct. 31	Sept. 30
Do.	.15+.15	Jan. 31	Dec. 31
W. M. Lowney Co.	.12½	Oct. 15	Sept. 16
Massey-Harris	.25	Oct. 15	Aug. 26
Mercury Mills	.25	Nov. 1	Oct. 15
McColl-Fr. 4% pf.	*.85	Oct. 19	Sept. 30
Moneta Porc.	.02	Dec. 14	Nov. 15
Mtl. Telegraphs	‡.48	Oct. 15	Sept. 16
Nat. Steel Car	.37½	Oct. 15	Sept. 15
Nanaimo-Duncan Utilities	.25	Oct. 15	Sept. 15
Nat. Biscuit	.30	Oct. 15	Sept. 10
Orange Crush	.35	Nov. 1	Oct. 1
Ont. Steel	.25	Nov. 15	Oct. 15
Do., 7% pf.	1.75	Nov. 16	Oct. 15
Pacific Pete.	*.05	Nov. 15	Oct. 31
Penmans	.75	Nov. 15	Oct. 15
Do., 6%	1.50	Nov. 1	Oct. 1
Power Corp., 1st p.	‡1.50	Oct. 15	Sept. 20
Do., 2nd pfd.	‡.75	Oct. 15	Sept. 20
Preston East Dome	.01½	Oct. 15	Sept. 14
Purity Flour	.62½	Nov. 1	Oct. 4
Proprietary Mines	.05	Nov. 6	Oct. 5
Quebec Power	.25	Nov. 25	Oct. 18
Regent Knit.	.25	Oct. 15	Sept. 15
Reg't Knit $1.60 p.	.40	Dec. 2	Nov. 2
Robinson Cott.	.10	Nov. 1	Oct. 1
San Antonio	.07	Nov. 5	Oct. 5
Shawinigan Water	.25	Nov. 25	Oct. 18
Sher.-Williams	.15	Nov. 1	Oct. 10
Stand. Chemical	1.25	Dec. 1	Oct. 31
Stand. Fuel	*.37½	Nov. 1	Oct. 15
Steel Co.	.75	Nov. 1	Oct. 7
Do., pf.	.75	Nov 1	Oct. 7
St. Lawrence Corp. 4% pf.	‡.25	Oct. 15	Sept. 23
St. Lawrence Flour	.40	Nov. 1	Sept. 30
Do., pfd.	1.75	Nov. 1	Sept. 30
St. Lawrence Pap. 6% pf.	1.75+1.50	Oct. 15	Sept. 23
Howard Smith	.25	Oct. 30	Sept. 30
Do., $2 pf.	.50	Oct. 30	Sept. 30
South. A. Gold	.10	Oct. 3	Sept. 19
Sou. Can. Pr. 6% p.	‡1.50	Oct. 15	Sept. 20
Stanley Brock A.	.15	Nov. 1	Oct. 15
Do., B	.10	Nov. 1	Oct. 15
Stand. Radio	.10	Oct. 10	Sept. 21
Tobum Gold	.01	Nov. 22	Oct. 22
Tuckett Tob. 7%	1.75	Oct. 15	Sept. 30
Western Assurance	1.20	Oct. 1	Sept. 27
West. Brew.	.30+.40	Oct. 15	Sept. 30
Western Groc.	.37½	Oct. 15	Sept. 13
Do., 7% pf.	.35	Oct. 15	Sept. 13
Wool Combing	.25	Oct. 10	Sept. 25

*Initial.
†N. Y. funds.
‡Sub. appr. F.E.C.B.
▲Net pay. after deducting corp. inc. tax.

Supplementary Bond Quotations

Furnished by Invsetment Dealers Association
Month-end Closing Prices
Sept. 30, 1946

	Bid	Asked
Adel. Sheppard 7%/40	60	...
Albert-Bay 5%/50	98	101
Alexandra Apts. 3%/55 w.s.	81	...
Ancroft Place 4%/46 w.s.	79	82
*Bay-Adelaide 6½%/47	80	83
*Bay-Cumberl'd 6½%/44 w.s.	58	...
Bloor St. George Rlty. 7%/46	80	...
Brand. Henderson 4/61	101	103½
†Clarendon Apts. 7%/46	54	57
†Clarendon Props. 7%/47	54	57
Connaught Hotel 4%/52	83½	...
†Deer Park Manor 7%/40 w.s.	69	...
Dom. Dairies 1st mtge. 4/66	100½	103
Dominion Square 4%/59	102	104½
Ellis Park Apts. 4½%/60	79	...
Fed. Foundries 5½%/50	89½	92½
Gen. Brock Hotel 3%/54	81	...
Gleneagles Inv. 5%/44 w.s.	110½	...
Keefer Realty 5%/55	102	...
Lombard Rlty. 2½%/51 w.s.	38	...
Loew's Montreal 4%/58	98½	...
Lord Nelson Hotel 4%/47	90	93
Metropol. Bldg. 4½%/52 inc.	90	...
National Utilities 6%/48	98½	...
Ogilvy Rlty. 5½%/51	100½	...
Ontario Bldg. 3%/43	76½	...
Oshawa Bldg. 3-4%/53	73½	...
Prince Edw. Hotel 4%/47	76	...
*Richmond Bldg. 7%/47	34	...
St. Catherine Stan. Rlty. 3½-4%/57	98½	...
†Trinity Bldg. 4%/52	17½	...
300 St. Clair W. 4½%/58	83	...
Windsor Court 3%/56 w.s.	73½	...
York St. Bldg. 6%/43	95½	...
*York-Adelaide 7%/45	36	...

*Issue carries arrears of interest.
w.s.—With stock attached.
†Currently paying on interest arrears.

Investment Trusts

	Bid	Asked
Affiliated Funds	5.65	6.18
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.45	4.95
Can. Invest. Corp.	7.75	8.75
Commonwealth Int.	3.46	3.80
Corporate Inv.	8.95	9.60
Trans-Canada (A)	13.15	....
Do., (B)	....	12.35

Company Meetings

1946	Company	Place
Oct. 7	Atlas Steels	Welland
Oct. 9	So. Amer. Gold & P.	New York
Oct. 29	Calgary & Ed. Corp.	Winnipeg
Oct. 29	Can. Wireb'd Boxes	Toronto

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Oct. 1, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. C. H.B.R.	5	'59	53	56	51½
†Asso. Tel. & T.	5½	'55	104	106½	104
B. C. Pwr.	4½	'60	102	104	102
Do.	4	'65	102	104	102
†Calgary Pwr.	5	'60	102½	...	102
‡Do.	5	'64	103	105½	102½
‡Gatineau Pr. A	3½	'70	104	106	104
*Do.	3	'70	101	103	100½
Gt. Lakes Pwr.	4½	'56	101½	104	102
Do.	5	'57	101½	104	101½
*Int. Hydro-El.	6	'44	97	100	95½
L. St. Law. Pr.	3½	'65	102	104½	102½
Mtl. L. H. & Pr.	3½	'56	101	103	101
Do.	3½	'63	102½	104½	102
Do.	3½	'73	100½	102½	100
†Mtl. Tramways	5	'51	102	104½	102½
†Do.	5	'55	100	102½	100
Nat. Lt. & Pwr.	4½	'61	102	104½	102
Otta. L. H. & P.	4	'57	102	104	102
Ottawa V. Pwr.	5	'59	101½	...	101½
Do.	4½	'64	105½	...	105½
†Power Corp.	4½	'59	104	...	104
Quebec Pwr.	3	'62	99½	101½	99½
St. Maurice Pr.	3½	'70	102½	104½	102½
†Shaw. W. & Pr.	3	'71	99½	101½	99½
Do.	4	'69	104	106½	104
Union Gas	4½	'50	100½	103	100
†United Secs.	3	'52	99	102	99
Wpg. El.	3½	'71	102	104	102
Industrial and Realty Issues:					
†Abitibi Pr. P.	5	'65	98½	100½	99
Acadia-Atlantic Sugar	3½	'65	102½	...	102½
Algoma Steel	5	'48	100½	...	100½
Aluminum Co.	3½	'74	105½	...	105½
†B. C. Pulp & P.	6	'50	100½	...	100½
†Do.	7	'50	100½	103	100½
Brown Co.	5	'59	98½	101	98½
Burns & Co.	3½	'63	100½	103	100½
Can. Celanese	3½	'59	102	...	102
Canada Cement	4½	'51	101	...	100½
Can. Electric	4½	'65	101	...	101
Can. Steamship	3½	'57	101½	103½	101½
Can. W. Lum.	4	'62	102	104½	102
C. P. R.	3½	'51	104	...	104
Do.	4	'49	105	...	105
C. P. R.	4	Perp.	105	...	105½
†Consol. Paper	5½	'61	101	...	100½
Dom. Coal	4½	'52	100	102½	100½
Dom. Scot. Inv.	4	'52	101	...	100½
Dom. T. & Ch.	3½	'57	103	...	103
Dom. Textile	3½	'59	103½	...	103½
Dom. Woollens	5	'64	102	104½	102
†Donnacona Pa.	4½	'56	100	102	100
Dryden Pap.	4	'61	101½	103½	101½
†Federal Grain	5½	'64	102½	104½	102½
Gurney Fdry.	5½	'49	100	103	100
†Gypsum Lime	5½	'48	100	...	100
Ham. Cotton	3½	'59	100	...	100
Imperial Tob.	2½	'66	100	...	100
Inter-City Bak.	5½	'48	100	...	100
Indust. Accept.	3½	'66	100	...	100
Ins. Ex. Bldg.	5	'51	99	102	99
*Inv. Bond & Sh.	5	'47	95½	98½	95
Lake St. J. P.	5½	'61	102	104½	102
Do.	5	'61	101½	104	101½
Legare	6	'61	100	...	100
MacMillan (H.R.) Export	4	'65	102½	105	102½
Maple L. M.	3½	'63	102	104	102½
Man. Sugar	5	'60	102½	...	102½
Massey-Harris	3	'66	99	101½	99
McColl-Fron.	3	'71	99½	101½	99½
McCormicks	4	'52	100½	...	100½
Mercury Mills	4	'59	101	...	101
Moirs Ltd.	6	'53	99½	...	99½
Montreal Apts.	4	'54	95½	98½	95½
N. S. Stl. Coal	3½	'63	98½	101	98½
Price Bros.	3½	'66	102½	104½	102½
Silv. Dairies	4	'60-64	101	103½	101
Do.	4	'71	99½	102½	99½
Simpsons, Ltd.	3½	'60	102½	105	102½
Toronto Elevat.	3½	'66	101½	...	101
United Corp.	4	'58	101½	...	101
†West. Grain	5	'63	98	101	98
York Kt. Mills	3½	'71	99½	102	99

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
‡Payable in Canada only.
▲Payable in Can. or U. K.

RECORD OF FINANCING

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Foreign Securities

Dominion

Dominion of Canada Deposit Certificates—⅝%, due March 11, 1947, $95,000,000. Dated Sept. 10, 1946. Sold at $100 to chartered banks.

—Due March 18, 1947, $95,000,000. Dated Sept. 17, 1946. Sold at $100 to chartered banks.

Dominion of Canada Treasury Bills—Payable Dec. 13, 1946, $75,000,000. Dated Sept. 13, 1946. Sold at average discount price of $99.89999, av. yield .402%.

Provincial

Province of Nova Scotia—2%, 2½% and 2¾%, due Sept. 1, 1947-66, $7,000,000. Dated Sept. 1, 1946, at $99.19, cost basis 2.742%. Sold to Bank of Montreal, Royal Securities, McTaggart, Hannaford, Birks & Gordon, Mead & Co., Harrison & Co., L. C. Beaubien & Co., Mills, Spence & Co., Bell & Gouinlock, Dominion Bank and F. J. Brennan.

Municipal

Town of Gananoque, Ont.—2¾%, due Sept. 16, 1947-56, $50,000 at $103.63. Sold to Bank of Toronto.

Town of La Prairie, P.Q.—2½ and 3%, due Sept. 1, 1947-66, $43,000 at $100.05. Sold to Banque Canadienne Nationale. c.b. 2.93%.

City of Montreal, P.Q.—1¾ and 3%, due Nov. 1, 1947-74, $56,885,000 at $97.81. Sold to large synd. headed by Dominion Securities Corp. and L. G. Beaubien & Co., joint synd. mgrs. 3.09% c.b.

Montreal Metropolitan Comm.—2¾%, due Nov. 1, 1957-59, $3,000,000 at $98.275. Sold to McLeod, Young, Weir & Co., Bell, Gouinlock & Co. and Mills, Spence & Co.

Town of Rouyn, P.Q.—3%, 20-yr. serial, $250,000. Sold to Lageux & DesRochers and St. Onge & Fournier at $99.27. c.b. 3.074%.

Town of St. Joseph, P.Q.—2½%, 20-yr. serial, $125,000. Sold to J. E. Laflamme, La Corp. de Prets de Quebec and Oscar Dube & Co., at $97.28. c.b. 2.788%.

District of Glenmore, B.C.—3%, due July 2, 1947-66, $60,000 at $100.63. Sold to Wood, Gundy & Co.

Catholic School Mun. of Noranda—2½, 2¾ and 3%, due Sept. 1, 1947-66, $300,000 at $98.85. Sold to Oscar Dube & Co., J. E. Laflamme and Le Corp. de Prets. c.b. 3.05%.

Corporate

Consolidated Paper Corp.—3½%, due Jan. 2, 1967, $35,000,000. Offered at $100 by Wood, Gundy, Royal Securities, A. E. Ames, Dom. Securities, McLeod, Young, Weir, Nesbitt, Thomson, L. C. Beaubien, Greenshields, W. C. Pitfield, Midland Sec., R. T. Leclerc, Savard, Hodgson, Collier, Norris & Quinlan, Mills, Spence, Bell, Gouinlock, Cochran, Murray, Jas. Richardson, McTaggart, Hannaford, Birks & Gordon, Burns & Denton, R. A. Daly, Pemberton, Eastern Sec., Melody, Sellers, Western City Co., Yorkshire Sec.

Preferred Stocks

Modern Containers—50,000 class "A" shares (no par value), cumulative, preferential $1.00 dividend. Offered at $21.75 per share, to yield about 4.60%. Offered by Bankers Bond Corp.

Municipal Bonds

Oct. 1, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	104¼	105¾	3.08
Hamilton	5	1950	109	110½	1.95
Montreal	3	1950	99¼	99¾	3.02
Ottawa	3	1963	105¼	106¾	1.92
Quebec	3	1964	98	100	3.00
†Quebec	5	1959	118½	120½	3.04
Saint John	4	1950	104	106	2.45
†Toronto	4½	1955	114½	116	2.35
†Vancouver	5	1970	130	132	3.07
Winnipeg	6	1950	112	114	2.02

†Payable Canada and New York.

Earnings Trend Still Upward For Brazilian

The increasing net profit trend for Brazilian Traction, Light & Power Co., started last April still continues. August net earnings have shown increases of 5% and 13.5% over the previous month and the same month of 1945, respectively.

Although operating expenses still continue to rise, monthly gross revenue has been rising at a little more rapid rate. March to August saw monthly revenue increasing from $5,549,497 to $7,325,514, operating expenses rising from $3,200,099 to $4,209,617.

Net earnings for the first eight months of 1946 were $21,240,322 ($20,549,728 for the same period of 1945 and $30,165,333 for the whole of 1945). If the recent trend continues earnings for 1946 will be considerably higher than the 3.4% experienced so far.

Here are the figures for August, 1946 and 1945 and for the eight months of 1946.

Brazilian Traction, Light & Power

Aug.:	1946	1945	Incr. %
Gross earns.	$7,325,514	$5,672,964	29.1
Oper. expense	4,209,617	2,927,961	43.8
*Net earns.	3,115,897	2,745,003	13.5
Eight Months:			
Gross earns.	49,254,697	42,233,126	16.6
Oper. expenses	28,014,375	21,683,398	29.2
Net earns.	21,240,322	20,549,728	3.4

*Subject to depreciation, amortization and capital changes.

The operating results are taken at average rates of exchange. All figures subject to final adjustment when annual accounts are made up.

Jamaica Public Service July Revenue Up 15.8%

MONTREAL (Staff)—An increase of 15.8% in the operating revenue of Jamaica Public Service Ltd. over the corresponding month last year is shown in the company's consolidated income statement for July, 1946. Net income of $32,461 for the month is also up 9% over July of last year.

Operating revenue for the seven months of 1946 totals $1,051,143 ($938,890) and net income for the same period is $205,309 or a 16.8% increase.

For the 12 month period ended July 31, 1946, operating revenue totalled $1,722,009 ($1,575,312). Net income for the same period was $330,994 an increase of 18.7% over the preceding 12-month period. Earnings per share for this period are approximately $1.51 ($1.17). Earnings per share on the common stock for the year ended Dec. 31, 1945, were $1.31.

The company states in its report that figures of subsidiary companies have been converted from pound sterling at the rate of $4.68 2/3 to the pound.

DOMINION MALTING CO. retained net profit for the year ended July 31 was up 10.4%. Operating profit amounted to $196,000. Due to the continued heavy demand for malt in Canada, entire production was disposed of to Canadian users, the company being unable to participate in any export trade.

During the year the new addition to the malting plant was completed and brought into production, also new barley storage for 600,000 bus. was erected. The malting capacity of the new plant is 1,150,000 bus., giving the company a total annual production of 2.5 million bus. The whole plant is presently operating at full capacity, President T. H. Rathjen states.

Considerable difficulty was experienced last year in obtaining suitable malting barley but conditions appear to be more favorable for the coming year, and the early run of barley is of good quality.

INCOME ACCOUNT

Years Ended July 31:	1946	1945
Net earnings	$305,537	$210,048
Less: Bond int.	30,377	3,967
Deprec.	79,159	25,987
Income tax‡	80,000	75,000
Net profit	116,001	105,094
Less: dividends		
7% pref.	......	2,325
5% pref.	42,256	33,116
Common	60,640	53,440
Pay. to officers & employ.	......	......
Surplus for year	13,105	16,213
‡Incl. ref. EPT	......	862
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$13.75	$12.36
Incl. ref. EPT	13.75	12.47
Paid	5.00	5.00
Com.: Excl. ref. EPT	0.94	1.04
Incl. ref. EPT	0.94	1.06
Paid	0.80	0.80

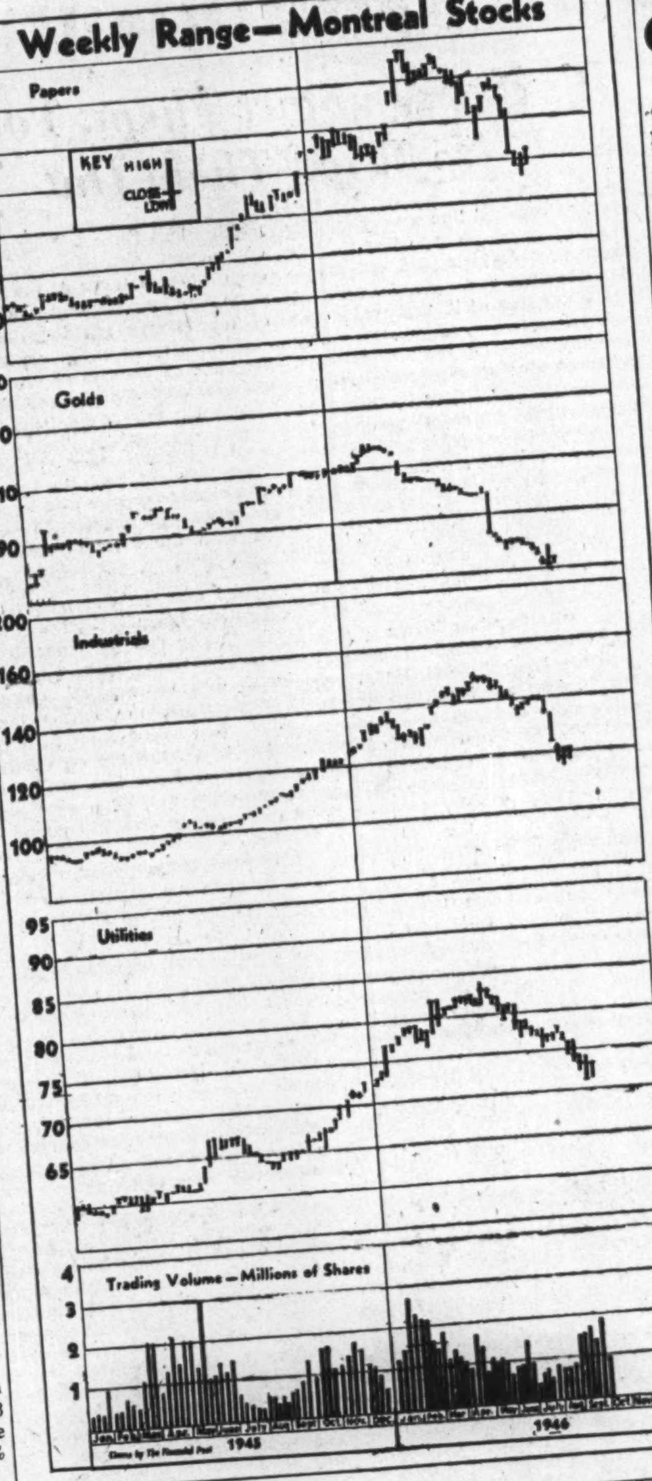
CONDENSED BALANCE SHEET

As at July 31:	1946	1945
Cash & Dom. bds.	$308,082	$1,147,627
Accts. rec.	293,790	288,800
Inventory	540,617	428,466
Total curr. assets	1,142,489	1,864,893
Invest. in mkt. secs.‡	......	1,500
Memberships†	6,032	6,015
Misc. assets*	91,382	80,935
Fixed assets	1,333,541	245,765
Est. cost plant addit.	31,500	1,160,250
Total assets	2,604,944	3,359,358
Accts., taxes, etc., pay.	134,413	160,006
Est. cost, plant addit.	39,771	955,979
Bds. pay. May 1, 1946	42,500	42,500
Total curr. liabs.	216,684	1,158,485
Res. re pfd. shs.	6,965	......
Funded debt	765,000	807,500
Capital stock	1,036,180	856,680
Earned surplus▲	580,115	536,693
‡Market value	......	24,563
†Market value	7,182	7,915
*After depr. of	479,745	400,586
▲Incl. ref. EPT	1,500	1,500
Working capital	925,805	706,408

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Can. Cement A	4½%	1951	Nov. 2	101
‡B. C. Peat	6%	1947	Oct. 1	100
‡E. Kootenay Pwr., A & B	7%	1952	Oct. 1	100
‡Godfrey Realty	4%	1952	Dec. 1	100
‡Gt. Br. & Can. Inv.	4½%	1959	Oct. 1	105
‡Gt. Lakes Pap.	5%	1955	Oct. 1	102
Gt. Lakes Pap. 1st mtge. A	4½%	1956	Nov. 21	102½
‡Ind. Accept., A	4%	1952	Nov. 1	101
‡Man. Sugar	5%	1960	Oct. 1	103
Mtl. Island Pr. A	5½%	1957	Nov. 1	102
‡Penmans	5½%	1951	Nov. 1	105
‡Prov. Paper A	5½%	1947	Nov. 1	100
Queens Hotel	5%	1953	Nov. 1	100
‡Royal Ex. Bldg.	7%	1938	Oct. 1	100*
‡Viceroy Mfg.	3½%	1947	Nov. 1	100½
‡Do.	3½%	1948	Nov. 1	100½
‡Do.	3½%	1949	Nov. 1	100¾
‡Do.	3½%	1950	Nov. 1	101
‡Do.	3½%	1951	Nov. 1	101½
‡Do.	4½%	1956	Nov. 1	102
Windsor Gas	5%	1966	Nov. 1	100
‡Gypsum Lime & A. 1st mtge. ser. A	5½%	1948	Nov. 15	100½
‡N. Amer. Elevators 1st mtge.	6½%	1950	Jan. 1	101

‡All outstanding.
*Plus simple interest at 5% p.a. from July 2, 1938, to Oct. 1, 1946; interest coupons due July 2, 1937, Jan. and July 2, 1938, will be paid at stated amount plus simple interest at 7% p.a. to Oct. 1, 1946.



Stand. Chemical Has New Product

Standard Chemical Co. is erecting a plant at Longford, Ont., for manufacture of Carboxy Methyl Cellulose in several modifications to meet specific trade requirements, particularly in the textile and paint fields. The plant is expected to be in production this month.

An extensive research program has been carried on for over a year, and the company has had a representative in Europe for several months, studying production methods and industrial applications.

Part of the facilities of the company's old wood distillation plant at Longford, closed down for some time, will be used in the new operation.

Carboxy Methyl Cellulose is one of the new cellulose derivatives to find acceptance in the chemical industry.

TOWNSHIP OF ETOBICOKE, ONT. has sold privately through the Bankers Bond a new $152,000 serial 2½%-3% debenture issue. Debentures were purchased by Bankers Bond at 101.14 to yield approximately 2.60%. Funds are for erection of a new school. Debentures mature in installments of from $9,000 to $13,000 a year from 1947 to 1960, inclusive.

Market Comment

The New York Dow-Jones industrials, after recovering about 10 points from the extreme low of 165.17 had surrendered about 3.5 points of this by early mid-week in drifting, unhurried action. The Toronto industrial group, on the other hand, had been able to retain practically all of its 8-point recovery. Part of the Toronto resistance to N. Y. post-recovery trend came from brightening steel strike picture.

If a further period of adjustment is in prospect, with prices drifting lower without penetrating their recent lows and subsequently rallying above last Friday's high, the technical implication of the movement would favor a resumption of the recovery.

Investment analysts, however, are still very divided in their advice to clients. All admit that the market is in a very delicate state of balance, and could go either way from here. All again advise clients taking advantage of every sizeable rally from here, to unload weaker issues and get in a more liquid position. The sharpest divergence of views is in the buying advice.

An increasing number of analysts of repute are saying that we have already experienced our 1946 lows. Stocks have gone into stronger hands, heavy credit balances exists in brokerage houses, they say. Selling pressure should not be so great from here on, for this reason. Thus they are hoisting the buying sign again. The other side are urging a program of complete but not too hurried liquidation, under the belief that much more attractive buying bargains will appear before next spring.

The period of recovery from a six weeks' selling wave is bound to take some time, but barring further, at the moment unforeseen, bear developments, a more normal environment in which stock yields and company earnings count for something, is bound to result.

Developments on the horizon, which could have bullish implications:

1. Relaxation of the U. S. 100% margin requirements.
2. Settlement of the Canadian steel strike.
3. Washington's granting railway companies a sizeable part of their higher freight rate demands.

• • •

Barron's: The Trader (New York) "Discomforting and drastic as the decline has been, it by no means establishes a background for a true bear market. 'Bear' market means 'liquidating' market. In 1919 the liquidation, at a time, incidentally, of high money rates, involved the inflated commodity price structure. In 1929 it entailed the razing of an enormous debt structure. In 1937 it called for the reduction of swollen inventories. Nothing as flagrant as these three factors is now in sight, and no major depression has started on the very threshold of expansion by heavy goods industries such as is now under way."

• • •

New Highs and Lows

During the week ended Sept. 27 there were 6 new highs recorded among the "general" stocks traded on Canadian stock exchanges, and 49 new lows. In the mining group there were 20 new highs and 29 new lows. One new high and eight new lows were recorded in the oil stocks.

GENERAL

New Highs—1946

Beaver Lumber p.
Distill.-Seagram p.
Federal Grain
Lindsay pf.
Shea's Brew.
Thayers pf.

New Lows—1946

Andian National
Argus 4½% pf.
Bathurst "A"
Do., "B"
Belgium Glove
Bell Telephone
Bertram
Blue Ribbon
Do., pref.
B. C. Packers
Brown pf.
Burlington Steel
Can. N. Power
Can. Packers "B"
Can. Bronze
Can. Car & F. pf.
Can. Celanese pf.
Can. Dredge
Can. Fairbanks
Can. Ind. Alc. "A"
Can. Light & Pr.
Can. Wallpaper B
Can. Wire Box A
Claude Neon pf.
Cockshutt Plow
Cub Aircraft
Distill. Seagram
Fittings pf.
Ford Motor "A"
Hamilton Bridge
Hayes Steel
Industrial Accept.
Int. Utilities
Int. Nickel
Laura Secord
Lowney's
MacMillan
Massey-Harris
Mtl. Cotton
Moore Corp.
Nat. Breweries
Ottawa L. & Pwr.
Pressed Metals
Riverside S. Mills
Silverwoods
Simon & Sons
United Fuel pf.
Viceroy

MINING

New Lows—1946

Beaubien Y.
Bralorne
Brewis R. L.
Bulolo
Callinan F. F.
Canusa
Chromium
Coniaurum
D'Aragon
Frobisher Warr.
Goldale
Hard Rock
Harker
Headway R. L.
Inspiration
Int. Uran.
Jack Lake
Kerr Lake
Kirk. H. B.
Newnorth
Noranda
Omnitrans
Osulake
Pato Cons.
Pioneer Gold
Premier Border
Thompson
Vicour
Ymir Yankee

OILS

New Highs—1946

Lethbridge

New Lows—1946

British Dominion
Calgary & Ed.
Coastal
Common. P.
Home
Mercury
Mid Cont.
Spooner

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Over $226 Millions in Subsidies

It's Easy to Start Them, Tough to Wipe Them Out

By **BRUCE MACKINNON**
Maclean-Hunter Editorial Research

By the time the Government's emergency powers come to an end, next March 31, the Canadian taxpayer will have spent around $440 millions in cash subsidies and cash trading losses, to prop the price ceiling.

On top of that $440 millions there will be an undetermined amount, represented by the loss of revenue through cancellation of customs duties, excise and sales taxes.

These items only include the subsidies paid by the Wartime Prices & Trade Board. Other departments will have paid some $445 millions in commodity subsidies by the end of next March.

Whether our $440 millions has been a good investment can't be finally decided until we are in a position to say whether price control itself has been a good investment.

One thing is certain, subsidies were inevitable if we were to hold the 1941 line. Even with manufacturers', wholesalers' and retailers' margins squeezed to the limit, the steadily rising prices of raw materials left a gap which had to be bridged if goods were to sell at 1941 prices. The only practical way of bridging that gap was with subsidies.

So the real value of the subsidy program is tied up with the ultimate effects of price control. And it won't be possible to make an objective appraisal of either, until some time after price control has ended.

Only Conceal Inflation

In the meantime, two very important points can be made now:

(a) Price subsidies conceal inflation; they don't "control" it.

(b) Price subsidies are another of the many "soak-the-rich" programs introduced under the guise of war measures. (By "rich," we mean rich enough to pay income taxes.)

How subsidies act to conceal inflation can be seen if you analyze one commodity—coffee, for example.

WPTB does not report the precise amount of subsidy paid on coffee. But where a subsidized commodity is exported, the exporter is called on to rebate the subsidy and, for this purpose, WPTB issues "repayment of subsidy" orders from time to time. Latest of these, dated July 8, 1946, shows the repayment for coffee at 8 cents per lb. The assumption is that this 8 cents reflects fairly accurately the amount of subsidy that has been paid on imports during the first part of this year.

Coffee exported from Canada is almost invariably in roasted form, while coffee coming in is green. There is a 16% loss in roasting. Thus the eight cents repayable when coffee is exported in roasted form from Canada, must have been equivalent to 9.52 cents when it was imported in green form. This means that the price of green coffee to the roasting and blending plants is some 9½ cents a pound lower than it would be if bought on the open market. The taxpayer makes up the difference.

Might Mean 50% Boost

It is not easy to tell what that 9½ cents difference would do to the retail price of coffee. But the probability is that it might hoist the price 50%.

The coffee consumed in Canada is mainly of the three top grades, A, B, and C. In carload lots the larger buyers pay 23½, 21½ and 18¾ cents a pound (green) to the Commodity Prices & Stabilization Corp. which imports all our coffee.

Currently, most of the coffee we drink is grade B, with some grade C usually blended in. Trade circles feel that 21 cents a pound is a fair figure to take as the "average" price of green coffee to the trade.

Roasted, ground, and packed, coffee of this grade sells for 35 to 40 cents a pound, with 40 cents regarded as about average.

It is a fair assumption that if the 9½-cent subsidy on green coffee were removed, thereby raising the cost to the coffee importer nearly 50%, the retail price would also go up about 50%. You would pay perhaps 60 cents for coffee that now sells at 40 cents.

It is possible, of course, that if the subsidy were withdrawn, coffee processors and dealers might absorb part of the increased cost, might accept a lower markup. And they might want a higher markup to meet greater risks in today's unsettled markets. Perhaps the safest assumption is that the higher cost would be passed on with the same rate of markup as is now taken on the subsidized product.

At any rate, that is the big argument in favor of the subsidy system: better to pay 9½ cents a pound in subsidy to the tax collector than 20 cents to the grocer.

Hard To Get Rid Of

The coffee example shows how much inflation is being concealed by subsidies. Although the consumer may pay 40 cents a pound, the real price should be at least 50 cents, probably close to 60 cents.

Not only do subsidies put Canadian prices out of line with the rest of the world, "resulting in artificial relationships between the returns received by producers and the prices paid by final consumers," as the Prime Minister has stated, but they are hard to get rid of. The prices board removed its subsidy of two cents a quart on milk, but the resulting outcry against the two-cent price increase which followed led the government to consider its decision to remove a second milk subsidy amounting to approximately 1¼ cents a quart, although this subsidy eventually came off, too. Ottawa has repeatedly stated its intention of removing controls and subsidies; but nothing gets entrenched like a subsidy. The bulk of voters seem to like to have their grocery bills paid out of the tax revenue.

On the face of it, that makes the voter look pretty dumb. Why pay your bills through the tax collector, while employing some 550 people in the Commodity Prices Stabilization Corp. (CPSC staff will be down to 350 by the year-end, it is expected) to do it? Wouldn't it be better and cheaper for everyone to pay his own bills?

The answer to that one is that the voter is not as dumb as he looks. Most of them don't pay income taxes.

One Pays for Three

In Canada's twentieth general election, held on June 11, 1945, there were just under 7 million voters on the list,—6,952,445 to be exact. For 1945, the Department of National Revenue estimated that 2,365,000 Canadians would pay income tax. In other words, while all the voters get the benefits of the subsidy, only one out of three has to pay for it.

Next year, income tax changes will take another estimated 550,000 voters out of the income-tax paying ranks, leaving 1,815,000 taxpayers to foot the bills for the seven-odd million voters. A little more than one taxpayer to every four voters.

Even if you take into account that most taxpayers are married and thus look after two voters' bills, you still find that the income tax payer is carrying one extra voter, outside his own family and will carry two extra voters next year. This doesn't take children under 21 into account, since they haven't a vote. The taxpayer, of course, pays for both his own children and the children of those who don't pay taxes.

The arithmetic of the situation is obvious to the politician. The odds this year are three to one in favor of any subsidy, four to one in favor next year.

That helps to explain why a Dominion which was brought into the world with a $2.2 million annual liability for subsidies now has over 100 times that amount to pay—over 200 times, if you count family allowances as a subsidy. The politician is making him three friends and only one enemy. Actually, the odds are even more in favor of the subsidy, since the taxpayers at the bottom of the income tax list don't pay enough in taxes to cover what they get back in bonuses of one sort or another. And some of our younger income tax payers don't get a vote.

Subsidy Isn't All

But let's get back to the coffee drinker and the free ride he gets at the taxpayer's expense. It doesn't end with the 9½-cent subsidy.

Back in September, 1939, it was realized that the war would be an expensive business and we would need to pay heavier taxes. Income taxes, business taxes, excise and tariff duties were all increased. For example, the excise tax on spirits was raised from $4 a proof gallon to $7, the tax on cigarettes was raised from four-tenths of a cent apiece to half a cent apiece. An extra duty of 10c. a pound was put on coffee and extra duties of 5, 7½ and 10c. a pound, depending on value, were imposed on tea. A new tax was put on soft drinks.

All these luxury taxes are still in effect, most of them were increased after 1939. But not tea and coffee. The special duties on these two imports were ended in 1942, the tea duty in March and the coffee in December. Both commodities were taken out from under the special wartime duty, so that they would enter the country at a lower price, and so be saleable under the price ceilings.

That means that the coffee drinker is not only taking 9½ cents a pound out of the taxpayer's pocket, but has been relieved of his share of financing the war—10 cents a pound green, or 11.9 cents roasted. All told, the rest of the community is carrying the coffee drinker to the tune of 20 cents a pound. It is not surprising that Canada now uses about 60 million lb. of coffee annually, 50% more than before the war.

Many Subsidies "Lost"

We've worked the case of the coffee drinker out in some detail, not because he is the only favorite son of the Government, but because coffee is one of the few commodities where the effect of the subsidy can be worked out with reasonable accuracy. In most other goods, the subsidy gets hopelessly lost. Even in tea, where the merchandise reaches Canada finished except for blending and packing, there are so many different grades, that tea merchants won't venture an opinion.

The subsidy on bread is extremely difficult to work out. There is a subsidy of up to 47⅝ cents a bushel on wheat, to bring it down from the domestic price of $1.25 a bushel to the 77⅜ cents price to the millers. That is simple enough, but the millers themselves subsidize bread by rebating part of their profits and the size of the rebate varies with each milling company. At the bakery, the subsidy on flour is only the beginning. Ottawa pays or has paid subsidies on lard, shortening, raisins and currants, sugar, milk, spices, fruits, canned, dried and fresh; even yeast. The bakers also get some benefit from subsidies on goods which don't enter directly into their products—such things are coal, soap, pesticides.

With subsidies so interwoven, it is supremely difficult to tell just how big the subsidy is on, say, a loaf of bread. And, when the baking trade and some WPTB officers guess that removal of subsidies would boost the price of bread one to two cents a loaf, it's only a well-informed guess. The same goes for the estimates that a man's cotton shirt, which sold at $2 pre-war, would now sell at between $4 and $5, or that domestic grades of coal would rise $1 to $2 a ton.

Puzzle for Experts

The price subsidy situation has become so involved that at least one group of manufacturers has had to hire a battery of chartered accountants to determine just what benefits, if any, they are getting from subsidies. The artificial world which subsidies create is one of the chief arguments against their continuation, an argument used by both business and government today. Ottawa has stated again and again its intention of removing subsidies as quickly as possible, and has made considerable progress in cutting down the eligible list. In the case of the two-cents-a-quart subsidy on milk, the removal of subsidy has probably been an expensive step politically.

By the end of 1945, subsidies had been paid on a list of 200 imported items, 76 domestic products, while 27 classes of commodities had been subsidized by the bulk purchasing method. Today, there are 32 classes of goods on the import subsidy list, of which only 17 are automatically subsidized. The remaining 15 items are subsidized only if the importer makes a prior arrangement to that effect. Domestic goods eligible for price control subsidy are now reduced to some 16 classes of merchandise, and bulk purchasing now applies to only seven major classes of goods.

Result of this decontrol policy is that Commodity Prices Stabilization Corp. spending for the current government year is estimated at $90 millions compared with expenditures of $97,850,000 for the year to Mar. 31, 1946. How much is spent in the year will depend largely on price trends outside Canada. The reduction in the list of eligible items might be balanced by exorbitant price rises in the goods still on the list.

Odds Against Taxpayer

So far, that doesn't seem to have happened. Subsidies for the first three months of the current government year ran about $17 millions, of which $5 millions applied to previous periods, mainly the discontinued subsidy on milk. On this basis, subsidies would be kept well within the $90 millions estimate, but WPTB officials are understandably cagey about making any predictions when world trading conditions are so upset.

As things are shaping up, price control subsidies will account for only 3% of this year's government spending, and may virtually disappear next year.

From that point of view, Ottawa is to be congratulated.

But before calling in the cheer leaders, don't forget that other government departments are carrying on the subsidy program. Agriculture is to hand out an estimated $94 millions. Finance will pay out $18 millions in the bread subsidy. Public works will hand out $465,000 to drydocks. Reconstruction and Supply will spend $169 millions on coal (in addition to $4 millions spent by the prices board). Trade and Commerce will pay out more than $16 millions in mail and steamship subsidies. Department of Transport will hand out $3.9 millions under the Maritime Freight Rates Act and another $490,000 in connection with the railway to Steep Rock Iron Mines.

All told, the subsidy-grabbers will be taking over $226 millions out of the taxpayer's pocket. And you don't need to be a political expert to know that the odds are strictly against the taxpayer, in any battle to get rid of the subsidies.

GREENLEE MINES has completed first two deep drill holes in test of quartz sulphide zones along the diorite sedimentary contact on the Pool group of 18 claims at Morris Lake, Yellowknife area, N.W.T. No. 1 hole cut the main fracture zone in quartz diorite from 167 to 187 ft. with best section assaying 0.32 oz. across 50 in. and 0.28 oz. across 21 in. No. 2 hole cut similar material 50 ft. northeast and the core is now being sampled. A geophysical survey has been finished on the 12 claims in Harker twp., Lightning River area, Ont.

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Rupununi Finds Gold-Bearing Seam Work Proceeds With 101 Men on Job

A rich initial discovery has been made on the property of Rupununi Mining Co., British Guiana, and considerable progress is being made in the program of establishing new areas where commercial concentrations of gold values may exist, The Financial Post is informed.

In driving an adit or tunnel to intersect the known lode gold vein system of its old Paunch workings, the company has run into a seam of eluvial material which runs extremely rich at the point of intersection. The "seam" has an exposed thickness of 4 ft., according to the most recent information from the property, but the full thickness had not been established. It is pointed out that the lower, and in this case untested, part of a seam usually runs the richest since the nuggets, if any, usually occur near the bottom.

$28 Per Cubic Yard

The average of 11 samples ran 16 pennyweights or $28 per cubic yard. Each sample represented the result of testing a battelle (conical testing tin) of material, a battelle taking two shovelfuls of dirt or about 10 pounds per sample. The 11 samples were taken from different places and it is believed that the average should be fairly representative.

It is thought that production from this seam by sluicing of material may be possible at a relatively early date. All the equipment necessary for the relatively simple type of treatment proposed is either at the property or has been shipped. Clearing and improving of trails and bridging of streams on the way to the Paunch workings has been carried out for the 18 miles from the savannah and a jeep is being acquired to traverse this section. A three-ton truck will be used over the savannah or prairie linking up with water transport.

A total of 101 men are employed with 60 of these engaged on construction at the main camp and clearing of the road. The balance is working on exploration. Part of the 60 will be retained to accelerate the exploration program. Adequate labor is available at $1.30 to $1.50 a day.

11 Areas Show Gold

A total of 11 gold-bearing areas have now been established by work completed and the considerable number of gold-bearing boulders found on mountain sides provide further indication of gold ore possibilities.

In limited work completed, gold areas have been established over 12,000 ft., while the width over which gold-bearing areas have been established is 7,200 ft. Individual gold-bearing areas within this run up to 2,400 ft. in length and 1,000 ft. in width. Lengths of individual gold-bearing areas are reported at 2,400 ft., 2,000 ft., 1,600 ft., and 1,200 ft. with widths often running 500 ft. or more.

Dimensions of gold-bearing boulders have run up to 30 ft. by 20 ft. by 20 ft. and chances for wide commercial gold-bearing veins is thought to be very favorable because of the size of boulders and persistance of gold through them. If it is proved possible to trace the origin of the boulders back up the water courses, discovery of gold in place at new points may not prove a great task.

Drill Now on Ground

One diamond drill has already reached the property and may have been placed in operation by this time. A second drill was shipped some time ago, and should arrive shortly if it is not already there. With no labor problems or winter weather to worry about, the company anticipates exploration can be carried on a year-round basis with a minimum of difficulty.

To avoid any interruption in operations, the company has anticipated future requirements for operating supplies. Expenditures to date, including cost of supplies amount to $107,800 leaving $162,200 in the treasury. A further $84,000 is due under the company's financing agreement with Verona Rock Products on Feb. 6, 1947, and if options are fully exercised a final $96,000 will be received on Aug. 6, 1947. This would still leave over a million shares in the treasury.

The British Guiana dollar is tied to the pound sterling and gold producers in British Guiana are thus in a position of receiving a "premium" on gold in the same way Canadian producers received a premium of $3.50 over the $35 U.S. price.

The price for gold in British Guiana is thus about $42 in terms of British Guiana currency. This is expected to be of importance in developing profitable operations at Rupununi.

Two English directors have been added, Wing-Commander J. Roland Robinson, member of parliament for Blackpool, Eng., who is chairman of the board of directors of British Guiana Consolidated Gold Fields (a dividend payer) and Major Charles Brooman-White. The latter has named as an alternate director, H. C. Davis, treasurer of Chrysler Building Corp. of New York City, who represents substantial United States capital invested in the company.

A complete assay plant has been shipped to the property and should be on the ground by this time, it is stated. It has also been decided to install radio communication equipment as soon as possible.

Rupununi is turning out its own lumber. Assay office, the manager's office and bunk houses are reported completed.

MINING INVESTMENTS

Ventures Head Bullish On Lead-Silver Prices

A leading Canadian authority on metal prices, Thayer Lindsley, President of Ventures Ltd., last week provided some interesting impressions on what he believed will be the future of some of the important metals turned out by the Canadian economy. While he was speaking at a special meeting of Frobisher Exploration Co., his remarks are of general interest.

Mr. Lindsley was particularly "bullish" on lead and silver. Even higher prices than the present world price of 10½c. were seen in prospect for lead, a metal for which practically no new sources of supply have been opened. With respect to silver, Mr. Lindsley could not see how supply could keep up with the great monetary and industrial demands for the metal.

No mention was made for the outlook of copper but Mr. Lindsley thought that chances were good for some ultimate increase in the price of gold. "Some way, some how, I feel that we will eventually have an increase in the price of gold," Mr. Lindsley declared. With prices generally working higher throughout the world, Mr. Lindsley thought that prices of precious metals would eventually work higher also.

• • •

Page Alexander The Great

Through Premier Mining Co., Canadians already have an interest in what is generally believed to be King Solomon's gold mine, the "Cradle of gold" mine in Saudi Arabia. In the near future, Canadians will soon have an interest in Alexander the Great's silver mine on the Greek Island of Melos. This is believed to have provided a considerable part of the funds for Alexander's conquest.

At the Frobisher meeting Mr. Lindsley stated Frobisher had been invited to participate in a "new thing" dating back to 1,200 B.C. The "new thing" was Alexander the Great's silver-barite deposit on the Island of Melos. There is a plant established there now which is producing barite but the silver content, regarded as important, has been relatively neglected. The operation is a quarry proposition and the geological possibilities are reported extremely interesting.

• • •

Seek Higher Price Too

Gold mines in the United States have been endeavoring to secure permission from authorities there for sale of gold in the world market but like Canadian gold producers without any success so far.

In reply to a letter of Robert M. Searls, attorney for several California gold mine operators, John W. Snyder, Secretary of the Treasury, stated that "under the present circumstances, the licensing of gold exportations without regard to the use for which such gold is exported would be inconsistent with the purpose of the Gold Reserve Act of 1934 and unauthorized by Section 3 (C) of the Act.

In his reply, the secretary pointed out that the proposed procedure for taking advantage of higher foreign gold markets would amount to circumvention of the import-export and foreign exchange laws of the countries involved. He added that transactions detrimental to the economy of foreign governments, even if technically permissible, would be contrary to the international financial and economic policy of the United States.

• • •

May Cut U. S. Tariffs

For years, Canadian producers of nickel, copper, lead and zinc have had to pay heavy duties on exports of minerals to the United States except when the United States Government or one of its agencies, was making the purchase itself. This has resulted in Canadian mineral production going largely to the London market where tariffs have not discriminated against our mineral wealth.

There appears to be a growing realization in the United States today, however, that the "Buy American" policy with respect for minerals may not be in the best interests of the United States and some revision in tariffs, to the advantage of Canadian mines, is quite possible.

C. K. Leith points out that the advanced state of depletion of United States mineral resources has been graphically summarized in the recent estimates of the U. S. Geological Surey and the Bureau of Mines.

In conjunction with this, he points out:

"The United States itself has not yet started to revise its 22 mineral tariffs. In fact, the 'Buy American' provision in the recent Stock Pile Act adds to the barriers against imports."

Mr. Leith, who is probably one of the first half dozen authorities in the mining field in United States, declares that the mineral trade will require even greater variety of international understandings and agreements to supplement private efforts. He calls for initially completion of new agreements, bilateral, if necessary, among the English-speaking nations or on a multilateral basis under the auspices of United Nations. He concludes that in her own interest, United States must secure a more substantial grip on foreign mineral wealth and reduction or abolition of present tariffs would appear an important method of arranging this.

New Sherritt Nickel Values

Two holes returning nickel-copper values have been completed by Sherritt Gordon Mines in further testing of its Lynn Lake, Man., occurrences, The Financial Post is informed.

Hole No. 95, located on the "A" anomaly 100 ft. south of hole No. 51, and 100 ft. east of hole No. 73, gave the following intersections:

Footage	Core length ft.	Nickel %	Copper %
1,059-1,064	5	0.95	0.89
1,153-1,160	7	1.08	0.07
1,218-1,229	11	1.20	0.10

Hole No. 104, located on the "E" anomaly 100 ft. north of hole 87 gave the following values:

Footage	Core length ft.	Nickel %	Copper %
622-630	8	0.48	0.21
630-690	60	1.18	0.20
690-723.5	33.5	0.38	0.04

At Farley Lake, where Sherritt has gold occurrence, No. 6 hole located 50 ft. west of No. 1, gave a value of 0.06 oz. over a core length of 20 ft. in the first zone, and 0.34 oz. over a core length of 5.5 ft. for the second vein. In hole No. 5, 175 ft. east of No. 1, and hole 7, located 100 ft. west of hole 1, values were negligible.

Mines Ministers Ask For Federal Mine Tax Probe

From Our Own Correspondent

WINNIPEG — A Dominion-appointed Royal Commission was asked here last week by representatives of the mining industry to investigate the whole field of mineral taxation and submit its finding of fact to the Federal Government so that a more equitable basis of taxation can be devised for the mining business.

Mines ministers of eight provinces, technical men from the federal mines department, and leading mine operators of all the provinces, unanimously asked for the Commission. The present income tax structure didn't permit a reasonable prospect of return of capital, they said, and so long as this held there was no chance of encouraging investment of capital in the mineral industry. Mining would always remain a hazardous and speculative industry, it was pointed out.

Strong representations were made to the conference that present depletion allowances in the tax structure are not enough to ensure return of capital, particularly in new ventures.

Other representations were made that expenditures other than costs of options or purchases of properties arising from mine explorations, should be regarded as costs. In this light they would be deductible for income tax purposes.

The conference also asked an enlarged research program as an adjunct to the mining industry. To obtain co-ordination of research and to avoid duplication of effort, it recommended that within a province there should be co-ordination of research activities as between the government, the university and industry; that there be a wider exchange of results of research efforts by all institutions engaged in research work; that wherever possible, co-ordination of research activities within a province should be the responsibility of the provincial institution doing research; and that more liberal grants be made universities and provincial research organizations.

Private donations could and should be encouraged, the conference said, by removal of taxation and present restrictions on such gifts.

The meeting restated recommendations of a meeting in Toronto last November that the Dominion Government is primarily responsible for aerial photography and topographic mapping of Canada. At last week's session it was recommended that for the present inadequately mapped and unexplored portions of the provinces, high altitude photography be undertaken and that necessary ground controls be established to compile topographic maps at a published scale of four miles to the inch; that the work be undertaken at a rate to permit mapping of these portions of Canada within the next 10 years; that for detailed mapping, there be instituted a program of vertical aerial photography and necessary ground controls, for compilation of topographic maps at a published scale of one mile to the inch, and contoured where required; and that this last work be undertaken at a rate and in such order in any province as might be determined after consultation with the provinces.

In each province there will be formed an interdepartmental committee to determine the photographic and mapping needs of each province.

With respect to federal geological surveys it was suggested that the Dominion be asked to consult each province before determining its yearly program in the provinces. To co-ordinate provincial and federal geographical work, the meeting proposed a conference of provincial and federal representatives annually in Ottawa.

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Ontario Nickel Mines Limited

Capitalization—
(Par Value $1.00 each) .... 4,000,000 shares
Issued .... 3,499,955 shares
In Treasury .... 500,045 shares

Officers and Directors

President T. J. DAY
Vice-President J. H. ADAMS
Secretary-Treasurer F. G. McPEAK
Director G. E. BUCHANAN
Director MAJOR-GENERAL G. E. McCUAIG
Transfer Agent and Registrar THE PREMIER TRUST COMPANY
Solicitors DAY, FERGUSON, WILSON & KELLY
Consulting Engineer S. J. KIDDER

PROPERTIES

The Company's holdings consist of:
(1) The Moose Lake Mine, located in MacLennan Township, straddling the contact on the East rim of the Sudbury Basin. This group comprises 9 claims (5 of which are patented), totalling approximately 260 acres.
(2) Two groups of 4 and 6 unpatented mining claims in Capreol Township north and west of the Moose Lake property, totalling approximately 350 acres.
(3) The Cuniptau Mine, consisting of 6 mining claims in Strathy Township, Temiskaming Mining Division, totalling approximately 230 acres.

DEVELOPMENTS

The Moose Lake Mine has a complete mining plant, including electrical power, hoist, compressor and camp facilities for a crew of 65 men. The mine has a two-compartment shaft to the 265 horizon, and about 3,000 feet of development work has been completed on the 250 level.

In the Summer of 1945 the Company mined approximately 10,000 tons of ore and shipped 2,427 tons of selected material, grading 3.26 Ni. and 0.64 Cu. for a gross metal content value of $24.61 per ton, to the International Nickel Company's smelter at Copper Cliff. The remainder, having an estimated nickel-copper content of 1.15%, was stockpiled. This ore was taken from the Company's No. 1 orebody, which was opened up on the 250 horizon for a distance of approximately 250 feet, having an average width of 13 feet.

A deep diamond drilling campaign is currently in progress probing this orebody to depth from a hanging wall drift on the 250 horizon. Holes have cut the orebody below the 250 level as far as the 550 horizon. Lack of space will not allow a detailed analysis here of the results of this program, but drilling to depth has shown a consistent broadening of the orebody. The most southerly hole drilled to date intersected 66 feet of ore averaging 2.33% Ni. and 0.86% Cu., with another 10-foot section of 2.76% Ni. and 0.34% Cu.

5,800 feet of surface diamond drilling has recently been completed. Two possible major ore shoots have been indicated and can be summarized as follows:

Three holes spaced 50 feet apart disclosed an ore shoot 100 feet long averaging 16 feet in width, grading 1.53 Ni. and 0.73 Cu. Two hundred feet south of this section, another ore shoot 700 feet long was encountered. This ore shoot was cut by eight diamond drill holes spaced at 100-foot intervals, cutting the ore at about the 100-foot horizon and indicating an average width of 4.5 feet grading 1.25% Ni. and 0.42% Cu.

A surface geological survey of the property shows great width and continuity of the favorable quartz diorite zone, extending across the property for a distance of about 3,000 feet, and over its entire length important surface exposures of sulphides occur. It is within similar zones that many of the great deposits on the Sudbury Rim are found.

The Cuniptau property, in former operations, was developed by a two-compartment shaft to the 240-foot horizon. Approximately 2,000 feet of lateral work was done on the 100-foot and the 225-foot levels. This lateral work opened up a body of disseminated sulphides some 300 feet in length and averaging 60 feet in width. Scattered throughout this body was found enriched pockets of massive sulphides.

Mr. J. B. Taylor in his report dated September, 1937, estimated 254,000 tons of ore in place having a combined nickel-copper content of 1.49% after dilution. This occurrence was not delimited either laterally or at depth. No estimate was made by Mr. Taylor of the precious metal content contained in the ore.

In prior sampling reported by Mr. Percy E. Hopkins in his report dated November 30th, 1933, the massive sulphide shaft vein yielded 5.0% Cu.; 3.5% Ni.; 0.31 oz. platinum; 1.35 oz. palladium and 0.20 oz. gold. This massive sulphide vein averaged 15" in width and was adjoined by 80" of disseminated sulphides grading 1.92% Cu. and 1.02% Ni. with no determination of the precious metal content values being made.

In 1936 a small blast furnace was operated on the property for the purpose of demonstrating the feasibility of the treatment of the ores, and on an experimental basis 212,000 lb. of matte were produced and sold in the European market. An analysis of this matte was: 77.6% Ni-Cu.; 37.0 oz gold; 82.7 oz. platinum; 196.3 oz. palladium, and 910.0 oz silver.

Camp buildings capable of accommodating about sixty men are on the property and can be rehabilitated at very little expense.

GENERAL PROGRAM

Mr. S. J. Kidder is acting as Consulting Engineer in complete charge of the exploration and development program, on the Moose Lake property, which consists of:

Continuing the present diamond drilling of the No. 1 orebody laterally and to depth from the hanging wall drift on the 250-foot level.

Slashing the present two-compartment shaft to three-compartment size down to the 250-foot horizon and to deepen the shaft to an extent warranted by the results obtained in current drilling. In conjunction with the shaft-sinking program, a preliminary 2,000 feet of cross-cutting and drifting to open the orebody on the 500-foot horizon is planned.

Drilling will be resumed on the North portion of the property to explore the two important ore shoots already indicated by shallow drilling, as described in this report.

The demand in the base metal field today is greater than at any time in the past. The value of metals of the platinum group has increased tremendously within the past year. As is outlined in this report, Cuniptau has a substantial indicated tonnage of copper-nickel ore having a high precious metal content, which enhances its value considerably. It is necessary, therefore, that the Company give immediate consideration to the formulation of plans for the resumption of development work on this property.

FINANCES

The Company is amply financed for its present development program, and when full effect has been given to this offering, there will remain in the treasury under option 100,000 shares at 80 cents and 200,000 shares at $1.00. The Company's engineers advise that this will be ample to carry the Moose Lake mine through to production.

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Giant's High Grade at No. 2 Shaft May Provide Link in Ore Pattern

BY GORDON M. GRANT

An unsuspected "horse shoe" of high-grade ore has been opened by Giant Yellowknife Gold Mines little more than 80 ft. east and a little north of its No. 2 shaft at the first or 100-ft. level.

In technical language the new ore, close to the shaft, appears to be a north-plunging anticline. For the laymen, the horse-shoe shaped occurrence appears to be raking or plunging to the north with depth. The arms of the horse shoe, or the two limbs of the ore body, point south and are both open for development of further ore. If the occurrence does work north with depth, it may join up with the high grade north ASD zone, extending the length of that ore section from 1,200 to 1,600 ft. At a point 300 ft. to the south of the horse shoe, a narrow high-grade section was cut at only 70 ft. depth. There was 1½ ft. of visible gold and 20 ft. averaged 0.2 oz. It is possible that the north ASD high-grade zone may thus be extended to a length of 1,900 ft. or more. Before the latest results were secured, it had been thought that there might be a blank between the north high grade ASD zone and the lower ASD zone.

Values up to 6 Oz.

Whatever the relationship of the new ore may bear to the ore shown some distance away in surface drilling, its high-grade character and importance are unmistakable. Rib sampling on the crest of the shoot returned an average of 1.17 oz. over 5.9 ft. Horizontal rib sampling in slash near the crest of the fold gave 6 oz. under over 6 ft. on both walls. A total of 200 tons of rock from the short section of drifting completed shows an average of 1.40 oz. A ton and a half of muck sample rejects and other material averaged two ounces. It is not thought that the ore will average this grade but it is taken as an indication of the high-grade character of ore that will be developed from time to time.

Out about 140 ft., east of the new ore shoot, a drill hole returned a value of 1.29 oz. uncut over 20 ft., this being made up of 8 ft. in the hanging wall which averaged 0.17 oz. and 12.5 ft. in the footwall which averaged 2.25 oz. Crosscutting has reached the hangingwall with comparable hangingwall values and a progressive increase in the amount of quartz has been noted. This ore to the east may be the northerly extension of the lower ASD shoot or again it may be a folded section of the North ASD high grade.

Open 100-ft. Level First

It is planned to concentrate all No. 2 shaft lateral exploration on the first level for some time. There appears to be a great deal of work in ore to be done on this level and the management feels that it will be valuable to have the pattern of ore deposition there before proceeding with work lower down. Work at the first level will include: exploration along the shaft ore north establishing rake; opening up the indicated ore to the east; and drifting out the limbs of the shaft ore to the south.

May Start Mill In 1947

Mill construction will begin as early as possible next spring. All the mill equipment has been ordered and some of it has already reached the property. Transmission line survey is about completed from the Snare River power site.

Power is seen as the determining factor for the actual time milling will start. It is planned to work in the mill early in 1948, or possibly late in 1947. A total of 800 h.p. of Diesel power is being put in (to be used later as a standby) and this, with other power available in the area, may permit the working in of the 500-ton mill at say 200 tons daily even before Snare River power is available.

It appears likely that a fair supply of ore for initial milling will be available from the surface dumps over and beyond that from underground. At No. 1 shaft, a total of 4,132 tons of ore averaged 0.49 oz. gold per ton.

The transport of equipment is now ended for this season. The company of necessity anticipates its requirements for 18 months in advance and steps have been taken to forestall delays. In fact the whole Giant property represents a large-scale, long-range planning project.

The government-financed transportation company extended its facilities this year to permit the handling of a very large tonnage. This will be of importance to Giant. Arrangements have been made for a good supply of heating oil from Norman Wells.

Hollinger Hit As Labor Off

Earnings 18.4 Cents a Share in First Half — Paying 8 Cents

Payment of eight cents a share by Hollinger Consolidated on Sept. 30 should be regarded as a provisional amount subject to later adjustment, President J. R. Timmins reports to shareholders.

In deciding on the payment of eight cents against 10 cents paid in March and June, the company reviewed earnings so far this year and an estimate of earnings for the remainder of the year.

Estimated net profit for the first six months was $904,509 or 18.4 cents a share. Bullion recovery was $5,053,051 from 567,725 tons of ore milled, an average of $8.90 a ton. Taxes were estimated at $377,000, plant depreciation $161,545. Interest on investments, dividends and other profit totalled $127,512 for the period.

Finds Itself Handicapped

Discussing the effect of labor shortage and elimination of exchange premium on the company, President Timmins reports as follows:

"The continued shortage of competent labor, together with the general industrial unrest so prevalent today, is seriously handicapping operations and adversely affecting earnings. In addition, loss of the 10% premium on Canadian funds has reduced the value of our production, and it is estimated that our total 1946 profit will be down some $334,000.

"It would be possible for your company to make greater earnings by mining only its better-grade ore, but this would be a temporary and unwise expedient. Obviously it would shorten the life of the mine and injure the community which surrounds it. It would, of course, also reduce the volume and longevity of the employment which the mine provides for a group of loyal workers.

"We need experienced miners or labor that is willing to learn mining and work efficiently. We also need intelligent consideration from the Government. When these objectives have been achieved and when conditions in general become more stable, then the operations of your company can continue on a profitable basis, and warrant the prosecution of other ventures to ensure the continued activity of the company for many years to come."

MINING CONCENTRATES

AURALEE GOLD MINES plans starting surface work on the Gordon group of claims situated near McDougall Mills, Sioux Lookout, Ont. Earlier work is understood to have uncovered a 60-ft. wide zone. Camp buildings are under construction.

• • •

AQUARIUS PORCUPINE GOLD MINES has extended for three months September option on 250,000 shares at 75 cents. A similar extension has been granted on subsequent installment.

• • •

BONVILLE GOLD MINES has cancelled balance of option on 824,550 shares at 30 to 80 cents a share with Federal Trading & Agency Co. A new agreement has been entered into with same company, providing for an underwriting on 50,000 shares at 10 cents, payable forthwith, and an option on 774,550 shares at 10 to 50 cents. After underwriting, issued capital will be 2,075,455 shares.

• • •

CALDER - BOUSQUET GOLD MINES is considering sinking a new shaft as a result of intensive diamond drilling in past year. The proposed shaft will be about 1,600 ft. east of the old Jim Thompson shaft workings, where former operators spent around $100,000 and carried out underground work. The series of nine recent drill holes put down in No. 3 zone shows 800-ft. length of structure.

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DENISON NICKEL MINES has received payment covering 100,000 shares at 12½ cents a share, part of Sept. 15 option installment. Balance of installment has been extended to Nov. 15. Issued capital—3,799,705 shares.

• • •

COLOMAC YELLOWKNIFE MINES is continuing joint tunnelling operations with Indian Lake Gold Mines on Indin Lake, Yellowknife area, properties. Companies plan to continue drifting north and south for a month after bulk sampling plant is closed down in order to provide a greater length to permit closely spaced drill holes. This [illegible] expected to determine th[illegible]age grade of 1,300-ft. length of the ore zone which was indicated by diamond drilling to extend for a distance of more than 3,000 ft. across an average width of 80 ft.

• • •

CRESTAURUM MINES has cut first level station at 165 ft. on its Yellowknife, N.W.T., property. Shaft sinking has gone beyond 190 ft.

• • •

FORMAQUE GOLD MINES is steadily advancing work on 125-, 250- and 375-ft. levels, Secretary R. Lambert states. Ore is being surfaced at the rate of 80 tons per day for the stock pile. Results of holes drilled during August follow: Hole 311 returned values up to $6.59 over 1 ft., $9 over 1.6 ft. and lower values in two other assays; hole 312 ran up to $9.71 over 3.9 ft., $5.45 over 1.6 ft. and lower values in four other assays; hole 313 gave up to $10.06 across 4.2 ft., $4.86 across 3.7 ft. and lower values in five other assays; holes 314 and 315 gave low values but no assays drew a blank; hole 316 returned values up to $4.16 over 2.4 ft. and lower values in the other assays.

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FROBISHER EXPLORATION CO. reports Toronto Mines Finance Ltd. has been granted an option on 125,000 shares at $3 a share, exercisable until Nov. 12, 1947.

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GOLDCREST MINES has extended to Dec. 15 balance of September option installment on 50,000 shares at 50 cents. A similar extension has been granted on the subsequent installment.

• • •

HOYLE MINING CO. has again extended the time limit from Oct. 1, 1946, to Jan. 1, 1947, in which noteholders may exchange their notes into preference or common shares. A number have not yet done so. Now that note liability is nearly discharged, it is planned to list common shares on the Toronto Stock Exchange within the next three months.

• • •

KERR LAKE MINES consolidated net profit, including operations of K. L. Corp., amounted to $51 in year ended Aug. 31. The Kerr Lake property at Cobalt was again under lease and provided royalty returns of $753. Current assets were $35,036 and current liabilities totalled $10,677, as at Aug. 31. Principal asset was investment in Rimu Gold Dredging Co. and Vipond Silver Mining Co., which was valued at $449,017.

• • •

LOUVICOURT GOLDFIELD CORP. reports consent of Toronto Stock Exchange to release of the balance of 900,000 shares, presently held in pool with Chartered Trust & Executor Co., Montreal.

• • •

LOUVICOURT GOLDFIELD CORP. has cut station at 525-ft. level and started crosscuts north and south. Sinking has been resumed. The south crosscut showed the shaft vein to have a true width of 20 ft., heavily mineralized and classified as high grade. The occurrence, which stands vertically, is now calculated to be the A vein, cut by diamond drilling from surface a year ago.

• • •

ORO YELLOWKNIFE GOLD MINES has made a new find in a strong shear zone in the volcanic sedimentary contact of the Matt-Dor property in Morris-Giaque Lake area, N.W.T. The showing has been traced for 125 ft. A quartz vein up to 7 ft. wide, occurring in the sediments close to the volcanics, has been traced for over 300 ft.

• • •

ONTARIO NICKEL MINES drill hole U-40 returned a total core length of 105 ft., combined average nickel-copper content of 1.49%. The length includes 62 ft. of combined grade of 1.73% and in the 62-ft. section was a length of 28 ft. of combined grade of 2.96%. This hole is reported to extend the ore body 100 ft. to the south and gives it a length of 400 ft. at the 350-ft. horizon. The zone has been drilled at intervals of 50 ft. for 300 ft. of length and each hole has returned wide widths.

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ROCHETTE GOLD MINES advises that consent of Toronto Stock Exchange and registrar under Quebec Securities Act, has been given to release of the balance of 625,000 shares held in pool with General Trust of Canada, Montreal.

• • •

TOBURN GOLD MINES has declared a dividend of one cent a share, payable Nov. 22 to shareholders of record Oct. 22.

VILLBONA GOLD MINES advises that some 5,000 ft. of trenching and 25,000 ft. of diamond drilling disclosed three major gold-bearing structures on the property. The Bonville-Villbona stockwork of quartz veins has a known length of almost two miles with 1,500 ft. of the same explored on the company's property. The Villbona-Twin Fault zone was traced for 3,500 ft., of which one half of the length occurs on Villbona acreage. The Villbona shear showed a width of more than 30 ft. of quartz at one point. Diamond drilling has been suspended in favor of further surface exploration and prospecting.

QUEENSTON GOLD MINES has issued an additional 25,000 shares for acquiring properties of Anoki Gold Mines. Issued capital—2,717,089 shares.

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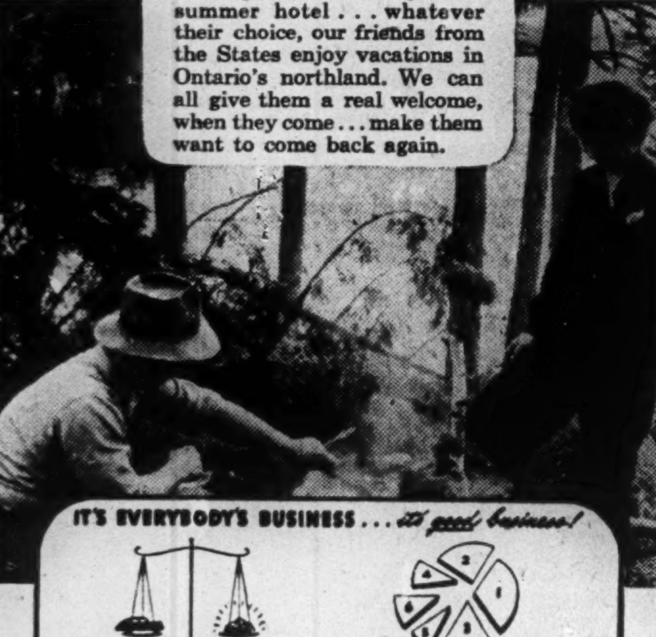

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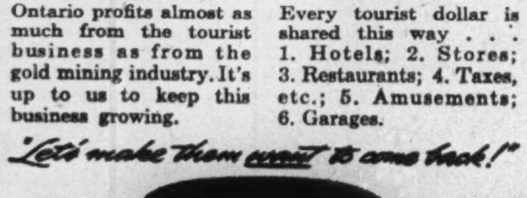

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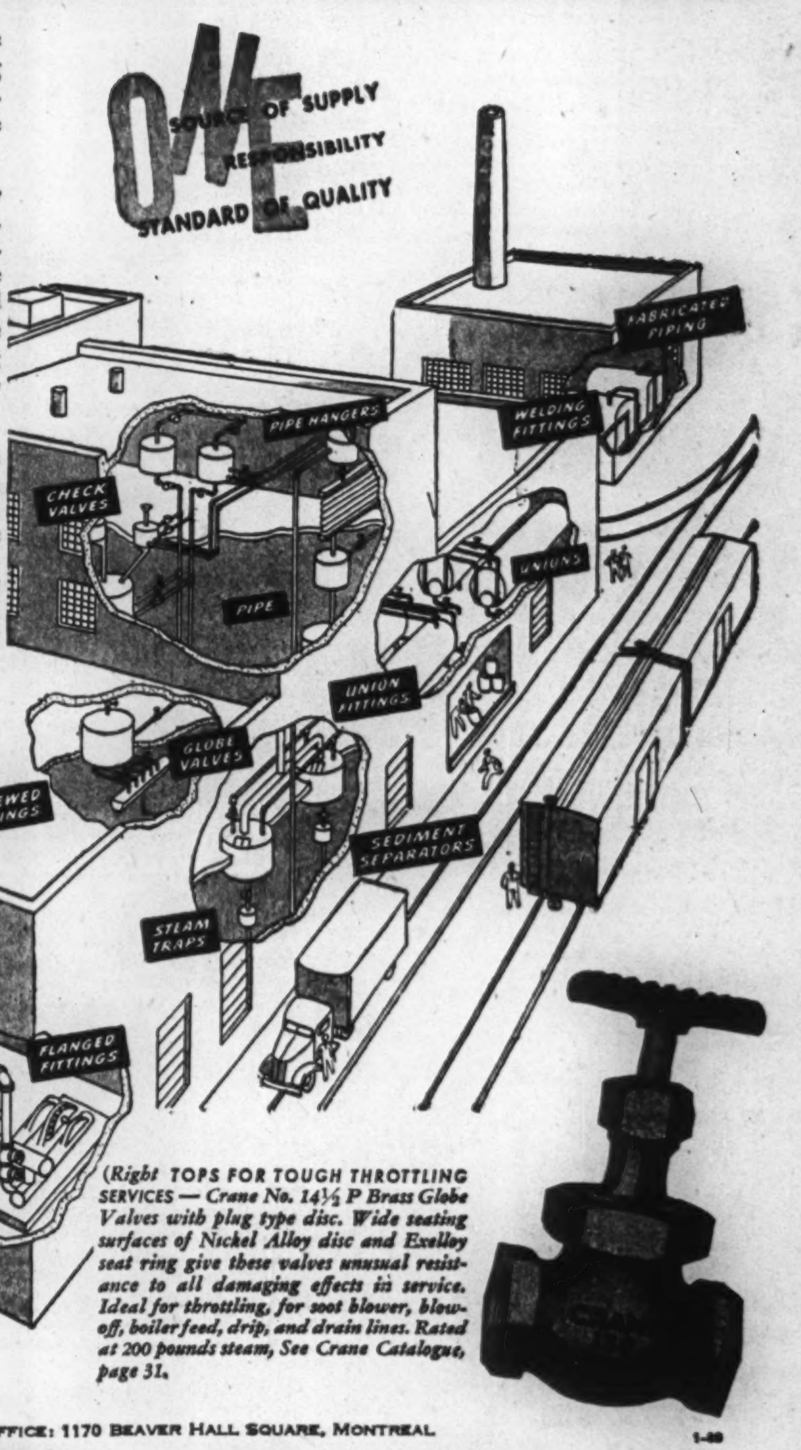

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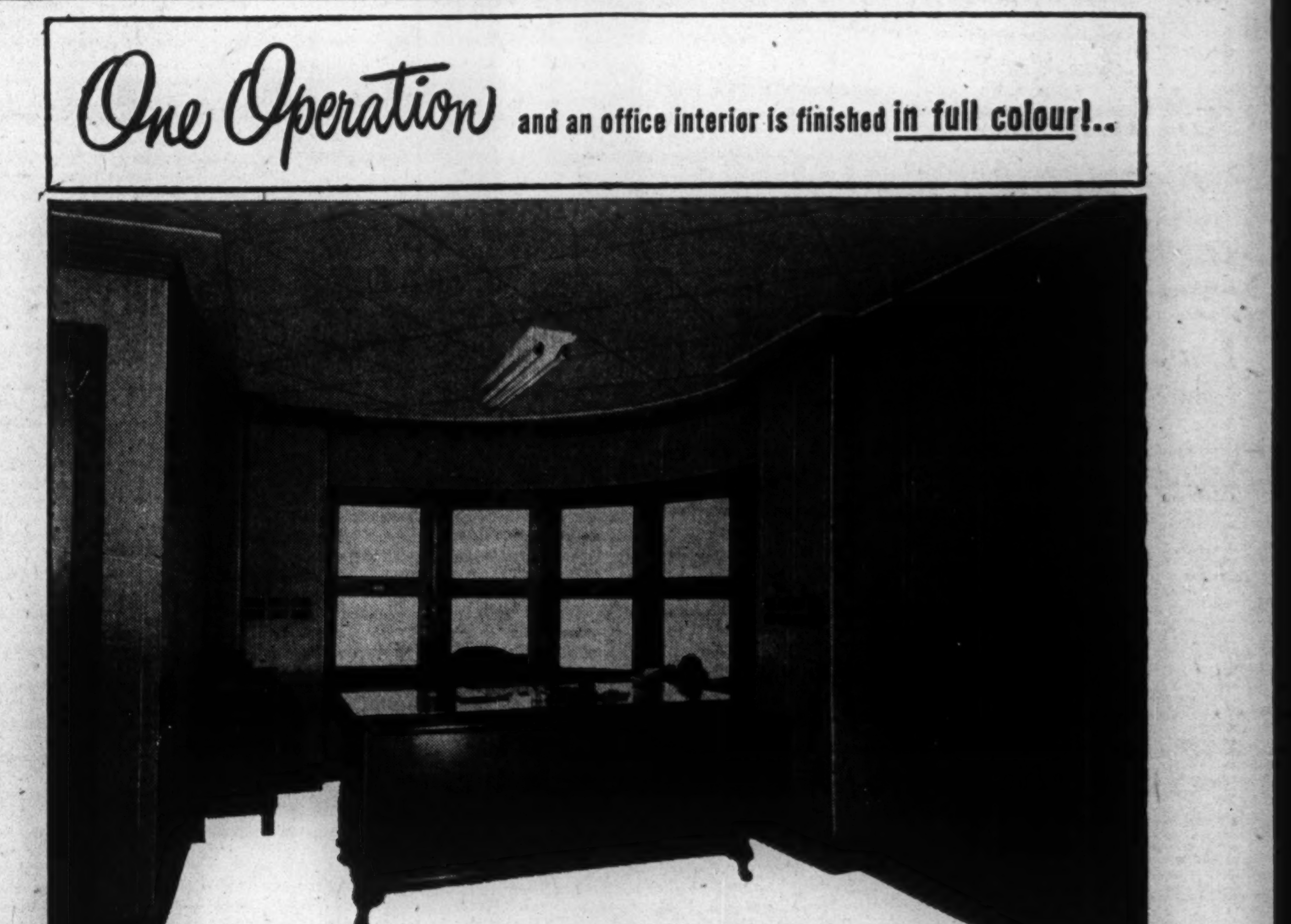

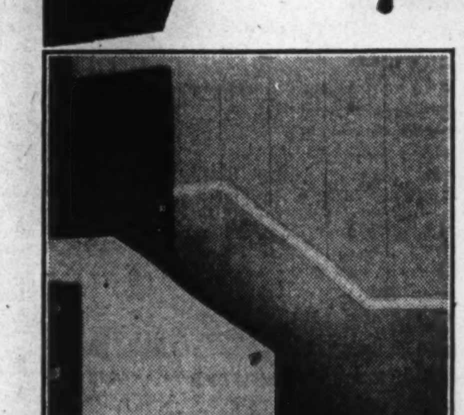

Continental Paper Products Ltd., Montreal, recognized in Masonite* (and its companion product in modern building, TEN/TEST*) the scope offered for streamlining the interior of an ultra-modern office . . . with a material that was finished and in lifetime full-color before it was ever installed.

Shown above is the executive office. Walls of Masonite, color-processed, feature a popular shade called Rustone; panels are scored and bevelled attractively in cream. Wainscot and decorative top-border of Tempered Presdwood in its natural warm brown. Sound-absorbing ceiling of TEN/TEST Ashlar Blocks.

General Office: Lower walls and solid stair-rail of Masonite (Greentone); contrasting moulding and wainscot of Tempered Presdwood; upper walls of TEN/TEST Insulating Panels in natural color.

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Though Masonite is still in somewhat short supply, everything possible is being done to correct this situation speedily. It is therefore suggested that you learn now how Masonite can help improve your premises. Write for free samples, technical data, and 48-page booklet, "What you ought to know about Masonite Brand Products," to International Fibre Board Limited, Gatineau, Que., Dept. 120.

Masonite BRAND PRODUCTS

* Masonite and TEN/TEST are registered trade marks of Masonite Company of Canada Ltd., and International Fibre Board Limited signifying a diversified group of building products.

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND No. 256

Notice is hereby given that a dividend of two and one-half percent (twenty-five cents per share) upon the paid up capital stock of this Bank has been declared for the quarter ending 31st October, 1946. The dividend will be payable at the Head Office of the Bank and its Branches on and after Friday, the first day of November, 1946, to shareholders of record of the 15th October, 1946.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 12th September, 1946.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ending September 30, payable November 25, to shareholders of record, October 18, 1946.

By Order of the Board.

H. G. BUDDEN,
Secretary.

Montreal, September 23, 1946.

The London and Western Trusts Company Limited

DIVIDEND NO. 104

Notice is hereby given that a Dividend of One Dollar ($1.00) per share and an extra Dividend of Fifty Cents (50c) per share have been declared on the Capital Stock of the Company, payable November 1, 1946, to Shareholders of record October 16, 1946.

The Share Registers will be closed from October 17, 1946, to October 31, 1946, both inclusive.

By Order of the Board.

JOHN D. HARRISON,
General Manager.

Dated at London, Ontario,
October 1, 1946.

N. SLATER COMPANY LIMITED
HAMILTON - CANADA

NOTICE IS HEREBY GIVEN that a Quarterly Dividend of Thirty Cents (30c) per share on the Common Shares of the Company was declared, payable on the first day of November, 1946, to shareholders of record at the close of business on the 10th day of October, 1946.

J. G. DAVIES,
Secretary.

Hamilton, Ontario.

NOTICE OF DIVIDEND
JOHN LABATT LIMITED

Notice is hereby given that Dividend No. 6 of twenty-five cents per share has been declared on the outstanding no par value common stock of the Company, payable on the fifteenth day of October, 1946, to shareholders of record September 28, 1946.

By order of the Board.

L. C. BONNYCASTLE,
Secretary.

London, Ontario, Sept. 21, 1946.

Brazilian Traction, Light and Power Company, Limited

Notice is hereby given that the Board of Directors of this Company has declared a dividend of one dollar per share on the Company's issued Ordinary Shares of no par value, payable on the 2nd December, 1946, to shareholders of record at the close of business on the 11th October, 1946. Payment of this dividend to non-residents of Canada will be subject to deduction of the Canadian Non-resident Income Tax.

In the case of share warrants to bearer the above dividend is represented by coupon No. 78, and the Canadian Custodian has instructed the Company that in order to claim their dividends holders of share warrants must comply with whichever of the following requirements is applicable:—

1. In cases where coupons are in the Kingdom of Belgium holders should present them, after having complied with the Belgian regulations pertaining thereto, to the Company's paying agents in Brussels following a notice that will be published by the Company in Belgium.

2. In cases where coupons are in the French franc zone (with the exclusion of Indo-China) holders should present them, after having complied with the French regulations pertaining thereto, to the Company's paying agents in Paris following a notice that will be published by the Company in France.

3. In cases where the coupons are in the United Kingdom and were imported into the United Kingdom on or before the 1st February, 1945, or since their issue in the United Kingdom have remained there, such coupons must be accompanied by a certificate to that effect signed by an official of or a signatory for any bank or banking house in the United Kingdom, or a member or member firm of the London Stock Exchange, and must be signed by or on behalf of the person for whose account the coupons are being presented.

4. In cases where the coupons were not in the United Kingdom on or before the 1st February, 1945, and are being presented on behalf of persons, other than residents of Continental Europe, or are being presented on behalf of residents of neutral countries in Continental Europe, such coupons must be accompanied by Canadian Custodian Form G (copies of which can be obtained from any bank in Canada and from the English Agents of the Company, Canadian & General Finance Company, Limited, 74, The Drive, Hove, Sussex, England) and the Canadian Custodian's consent must be obtained.

5. In all cases other than the above the Canadian Custodian has instructed the Company that payment meantime must be withheld.

On compliance with the requirements specified in 3 or 4 above a cheque in Canadian currency will be forwarded as speedily as circumstances permit to the presenting bank on behalf of the person for whose account the coupons are being presented for payment against cancellation thereof subject to the deduction where applicable of the Canadian Non-resident Income Tax.

Dated at Toronto, Canada, the 24th day of September, 1946.

By Order of the Board.

D. H. CROMAR,
Secretary.

Note: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada, who should be notified promptly of any change of address.

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 239

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st October, 1946, and that the same will be payable at the Bank and its Branches on and after FRIDAY, the FIRST day of NOVEMBER next, to Shareholders of record at the close of business on 30th September, 1946. The Transfer Books will not be closed.

By Order of the Board.

S. M. WEDD,
General Manager.

Toronto, 13th September, 1946.

MONETA PORCUPINE MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 24

NOTICE is hereby given that a dividend of two cents per share has been declared by the Directors of Moneta Porcupine Mines, Limited (no Personal Liability), payable in Canadian funds on December 14th, 1946, to Shareholders of record November 15th, 1946.

By order of the Board,

H. B. CLEARIHUE,
Secretary-Treasurer.

Toronto, Ontario,
September 30th, 1946.

San Antonio Gold Mines Limited

(No Personal Liability)

DIVIDEND NO. 26

Notice is hereby given that a dividend of 7c a share has been declared on the outstanding capital stock of the Company, payable in Canadian funds, on the 5th day of November, 1946, to shareholders of record at the close of business on the 5th day of October, 1946.

By order of the Board.

F. BERGSON,
Secretary.

Winnipeg, September 18, 1946.

Standard Chemical Company Limited

DIVIDEND—PREFERENCE STOCK

NOTICE is hereby given that a Quarterly Dividend of one and one-quarter per cent (1¼%) on the issued 5% Cumulative Redeemable Preference Shares of the Company has been declared payable on the First day of December, 1946, to Shareholders of record at the close of business on the 31st day of October, 1946.

By Order of the Board.

G. MILLWARD,
Secretary.

September 25, 1946.

QUEBEC POWER COMPANY

NOTICE is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ending September 30, payable November 25, to shareholders of record October 18, 1946.

By Order of the Board.

H. G. BUDDEN,
Secretary.

Montreal, September 24, 1946.

GENERAL STEEL WARES LIMITED

COMMON DIVIDEND

Notice is hereby given that a dividend of TWENTY CENTS (20c) per share has been declared for the quarter ending October 31st, 1946, on the outstanding Common Stock of this Company, payable November 15th, 1946, to shareholders of record October 17th, 1946.

By Order of the Board,

FRANK S. BROPHY,
Secretary.

Montreal, September 27th, 1946.

GENERAL STEEL WARES LIMITED

PREFERRED DIVIDEND

Notice is hereby given that a dividend of ONE DOLLAR AND TWENTY-FIVE CENTS ($1.25) per share has been declared for the quarter ending October 31st, 1946, on the outstanding preferred stock of this Company, payable November 1st, 1946, to shareholders of record October 3rd, 1946.

By Order of the Board,

FRANK S. BROPHY,
Secretary.

Montreal, September 27th, 1946.

Dominion Woollens & Worsteds, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of twenty cents (20c) per share on the No Par Value Common Shares of the Company will be payable on the 1st day of November, 1946, to Shareholders of record the 15th day of October, 1946.

By Order of the Board.

S. W. HAUFSCHILD,
Secretary-Treasurer.

Toronto, Ont., September 26th, 1946.

ZELLER'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending October 31st, 1946.

On the 6% Preferred Shares, the regular one and one-half (1½) per cent (37½ cents), payable November 1st, 1946, to Shareholders of Record October 15th, 1946.

On the 5% Preferred Shares, the regular one and one-quarter (1¼) per cent (31¼ cents), payable November 1st, 1946, to Shareholders of Record October 15th, 1946.

On the No Par Common Shares, 25c per Share, payable November 1st, 1946, to Shareholders of Record October 15th, 1946.

By Order of the Board.

T. E. McDERMOTT,
Treasurer.

Osulake Outlining Rich Ore at Depth Rake is Easterly in Rodney Direction

Two new rich drill holes have just been completed by Osulake Lake Gold Mines, confirming at depth the fine consistent ore indications in earlier shallower holes and definitely establishing an ore rake to the east with depth.

With the ore raking eastward, the body is "open" in that direction and striking toward the Noranda-Mining Corp.-financed Rodney Gold Mines which is drilling a few thousand feet away.

As reported previously, Osulake had secured one fine ore intersection at depth—in hole No. 122—the value being $35 over 13 ft. Hole No. 120A located 150 ft. to the east of No. 122 has now returned a value of $16.94 over a width of 4.5 ft. (from the second half of the core). To the east of this 150 ft. again, hole No. 125A has returned a value of $70.45 over 5.5 ft. with additional sections returning lower values.

All these values were obtained between a depth of 400 and 500 ft. vertically. Early drilling to the east in the deep series of holes apparently passed over the ore body on its easterly rake, but wedging of the holes found the ore lower down.

A 50-ft. wide vein zone is reported cut in a deep hole going down 300 ft. east of 125A. The zone came in at just about 70 ft. depth and is apparently something new. Deeper drilling of the hole is necessary to reach the main ore zone on its eastern extension.

The road into the Osulake property is now completed and permanent camps have been finished. The management may wish to carry out further financing before embarking on underground exploration; but such a test is definitely planned.

Bulk of drilling activity for the present will likely be concentrated on lengthening the ore shoot to the east and on determining more exactly the attitude of the ore occurrence. However, a number of other known gold showings warrant further testing, and further work on these is planned.

Recently a new gold discovery was made on the northern part of the company's property and President Don Hurd has announced the intention of doing X-ray drilling in this section. About 1,200 ft. east of the main ore shoot, and in the Rodney direction, a drill hole returned a value of $12 over a foot in a zone which may parallel the main occurrence. Further work is planned in this section later.

No official information is available on results of Rodney drilling but travellers in the area recently report that Rodney has secured some "good looking" core in drilling on the boundary next to Osulake. No details of assays were had. Rodney possesses a peninsula of ground extending in from Osulake to the east on the strike but some of its most interesting ground is believed to lie below the lake to the south and north. This ground can be tested below the lake this winter.

There is stated to be a particularly strong zone of shearing along the south side of the peninsula on Osulake ground which has returned gold values in prospecting on Osulake. It is a structure of great indicated length on Osulake and apparently strikes into the Rodney but a short distance south of where the main Osulake ore zone should come in.

Winter drilling may be desirable for this structure, it is reported. A total of $42,500 has been placed in the Rodney treasury and an extensive drilling program is anticipated. Completion of the Osulake road for a distance of 18 miles to rail is expected to be of assistance in opening up the area generally.

War Plant Bought By Light Alloys

Purchase of a former war plant by Light Alloys Ltd., at Renfrew, Ont., is announced by War Assets Corp. The company manufactures magnesium alloy castings for aircraft and other specialized uses and has taken over the new building for finishing of magnesium castings and head office purposes. Selling price has not been announced.

Light Alloys, a subsidiary of Dominion Magnesium Ltd., which holds 56.66% of common and 615 shares of 750 preferred shares outstanding, was incorporated in 1943. The company originally manufactured aircraft castings only, but has subsequently expanded its operations to include practically all types of magnesium alloy castings for industrial and specialized users.

The new plant is a two-story brick building with a total floor space of 23,976 sq. ft. It was constructed first as an abattoir and was later used as a cold storage plant by the Ottawa Valley Packing Co. Building and lands were expropriated by the Government in 1942 and converted to manufacture special marine equipment. A staff of 90 or 95 will be required to man the new plant, it is stated.

Thirteen miles from Renfrew is Dominion Magnesium Co.'s magnesium production plant at Haley's Station, Ont., equipped to produce 5,000 tons of magnesium annually by the Pidgeon ferro-silicon process.

DIVIDEND NOTICES

Blue Ribbon Corporation Limited

Notice is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the preferred shares of the Company has been declared payable on and after the first day of November, 1946, to holders of record at the close of business on the 21st day of October, 1946.

Dated at Toronto this 27th day of September, 1946.

D. W. LAVERTY,
Assistant Treasurer.

Canadian Bronze Company, Limited

DIVIDEND NOTICE

The Quarterly Dividend of 1¼%, on the PREFERRED STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of November, 1946, to Stockholders of record as of the 10th day of October, 1946.

Also a Quarterly Dividend of Thirty-seven and one-half (37½c) Cents per Share has been declared on the present outstanding Common Stock of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending October 31st, 1946. Payable the 1st day of November, 1946, to Stockholders of record as of the 10th day of October, 1946.

By Order of the Board,

W. C. PAQUETTE,
Secretary.

Montreal, P.Q.,
September 27th, 1946.

Refused to Start Rumor As Bidden, Manager Says

"Go out and get yourself drunk and spread a rumor around town that you hit something good. It will send the price up."

Paul V. Moran, for four months mine manager of Fresnore Mines testified in a Toronto court this week that Harry Don, Miller, Fresnore vice-president and managing director, had told him to do just that in a telephone call to the property located seven miles north of Noranda, Que.

After a two-day preliminary hearing, Mr. Miller was committed for trial. He faces nine charges of false advertising concerning the progress of Fresnore Mines.

Declares Advertising False

Moran said that he did not comply with Mr. Miller's suggestion, and testified that certain statements made in published advertisements were untrue.

Crown Counsel Norman Borins, acting on behalf of the Ontario Securities Commission, filed as exhibits nine newspaper advertisements which, he alleged, gave a false picture of operations at the Fresnore mining property.

"Complete arrangements made for 10,000 ft. of diamond drilling to start Dec. 15," one advertisement dated Dec. 18, 1945, stated.

"Did you find that any arrangements for drilling had been made?" Mr. Borins asked Mr. Moran who arrived on the property in mid-January.

"We couldn't even find the stakes on the property," the witness replied.

Drill Said in Storage

Mr. Borins produced a further advertisement dated Jan. 23 with a heading:

"Diamond Drilling Now."

"The drill was still in storage on that date," Mr. Moran stated.

On Feb. 5, 1946, the drill was running night and day, according to the advertisement.

"Was that true?" asked Mr. Borins.

"No, false," Moran replied. He said that two nine-hour shifts were started on Feb. 16.

On Feb. 28, the advertisement reported that 38 ft. of "mineralization" had been cut.

"We had cut four feet then," was Mr. Moran's comment. "A geologist on the property who refused to submit a report on the mine prospects because the drilling wouldn't support any report, was fired.

"Mr. Miller then asked me to send him a night letter stating that there is mineralization. I told him I wouldn't. The geologist had refused and who was I to send it?"

Mr. Moran said he was told on April 23 that his services were no longer required because the company couldn't afford to pay him. Later, he said, he met Mr. Miller on Temperance St. in Toronto.

"He said to me: 'You've caused me a lot of trouble and grief. Why didn't you come to me instead of to the Securities Commission? I'd have given you a couple of thousand to shut up.'"

"Sure," Moran said he replied, "then you would have had me up for blackmail."

OIL PRODUCTION

Lloydminster Chances Better

From Our Own Correspondent

CALGARY — Lloydminster has emerged during the past few months as probably the brightest crude oil prospect on the western Canadian plains.

Latest highlights have been the completion of Western Central No. 1, Community Services No. 21, and Lloydminister No. 6 on the Saskatchewan side and Lloydminster Oil Producers No. 3, and Shaw No. 4 in Alberta, all as apparently commercial oil wells—to extend the producing area south, northeast, north and northwest. The producing belt now extends for 12 miles in a northwest-southeast line between the Western Central and Lloydminster Oil Producers No. 3. As yet, the intervening area has been only sparsely developed. Its full productive potentialities are unknown. The oil 14 to 15 API gravity, is obtained from a lower Cretaceous sand, the "Sparky," at depths ranging from 1,850 to about 2,000 ft.

Marketing Outlook Better

Until a few weeks ago, only important outlet for Lloydminster crude was the CNR which is drawing railway fuel oil from this field and from Vermilion. Rapid expansion of Lloydminister potential this year—primarily due to drilling in a one-square-mile area on the Saskatchewan side—soon boosted potential to over 1,000 bbls. per day—substantially in excess of the railway's commitment. As a result, a number of apparent successful completions have been operated only intermittently, or not at all, and 30,000 bbls. or more backed up in field tankage and open pits at Saskatchewan wells. During the past few weeks the marketing outlet has greatly improved. Highway Refinery at Saskatoon has commenced taking oil for use in Saskatchewan's road improvement program, and Husky Refining Co., Wyoming, has entered the area with a development program on both sides of the border, and plans for installation of a large asphalt plant in the field.

The production record of the field to July 31, 1946, according to Alberta and Saskatchewan Government statements, totalled 138,495 bbls.—71,676 bbls from Alberta, 66,819 bbls. from Saskatchewan.

• • •

Where New Wells Stand

A two-day bailing test at Lloydminster Oil Producers No. 3 has given a flush recovery of 100 bbls. daily of gassified, water-free crude oil testing about 15 deg. API, and a commercial oil well capable of pumping probably around 50 bbls. per day is indicated, according to a report from L.O.P. officials. The indicated discovery is on the "Blackfoot Nose," eight miles west and a mile north of Lloydminster.

A further three-quarter-mile south extension of the Lloydminster oil field is indicated by the Western Central No. 1 well. Backed by a Regina syndicate, the well is three-quarters of a mile south of the S.A.C. and VanLloyd oil wells now marking the south limit of production in this Alberta-Saskatchewan border field. Potentialities of the well will be determined after plug has been drilled.

• • •

Four New Ones Start

Four more locations have been staked on the Saskatchewan side of the Lloydminster oil area, one in the heart of the field's best productive section, and three at outpost sites seeking southeast extension of the proven area.

Lloyd Clinch reports that he has staked three well sites. One, S.A.C. Oils No. 5, is 485 ft. east of the good S.A.C. No. 4 producer. Its site is offset to the north by the Community Services No. 8 oil well and to the south by the S.A.C. No. 3 oil well. Two Clinch ventures seeking southeast extension are the VanLloyd No. 3, and VanLloyd No. 4. No. 3 is quarter of a mile south of the VanLloyd No. 2, current most southeasterly producer in the field, while No. 4 is quarter of a mile south of No. 3.

The Western Central Syndicate of Regina has staked location for Western Central No. 2, half a mile south and quarter of a mile west of the new VanLloyd No. 4 site, a mile south of the current producing area.

Louvicourt Is Extending Ore

Lateral development at the property of Louvicourt Gold Field Corp. on three levels has so far indicated an average grade of ore considerably better than indicated by surface diamond drilling, according to Vice-President Frederick Reid.

At the 225-ft. horizon, over 200 ft. of drifting in ore has been completed on the "B" vein, with the ore extending the full drift width of seven feet and the last face channel running $15 a ton on gold. Sampling of the initial 110 ft. of this drift showed an uncut grade of $30.85 and cut grade of $13.95 a ton. Full width of the vein will soon be determined by flat lateral diamond drilling, it is stated.

Drifts have been driven 60 ft. both east and west from the 375-ft. level crosscut. The crosscut intersection of "B" vein gave an average of $7.19 across 54 ft. with value correspondingly higher if a narrower width is taken.

At the 525-ft. level, crosscutting has established a true width of 20 ft. for "A" vein with preliminary sampling stated to indicate a gold content of approximately $8. Considerable free gold and some tellurides have been noted and may improve the average. The vein has been opened up for 40 ft. along its strike in the shaft and station and drifting eastward is expected to start soon.

A depth of 550 ft. has been reached in the shaft, and sinking will continue simultaneously with lateral development. Mill construction is proceeding on schedule with all the main buildings practically finished.

Buffalo R. Lake Indicates Shoot

Diamond drilling has indicated a 150-ft. shoot at Buffalo Red Lake Gold Mines in three drill holes, The Financial Post is informed. The shoot, 300-400 ft. from the Cockeram boundary, is estimated to average $4.78 a ton across an average width of 38 ft. It is contained in a fracture zone about 400 ft. long and deep drilling is recommended. With improvement in values at depth, sinking of a shaft may be considered, it is suggested.

An estimate of 30,000 tons of rock is made for the three holes—hole 34, and holes 30 and H, drilled in the same plane at 100 ft. to the west. Two gaps totalling almost half a mile have not been tested by drilling along the same contact and offer chances for ore shoots, it is pointed out.

Lamaque Profits Off From 14 to 8 Cents

Estimated net profit of Lamaque Gold Mines totalled $239,997, or eight cents a share in eight months ended Aug. 30 ($415,318, or 14 cents in comparable period of 1945). Bullion output was $966,830 ($1,233,139).

Acute shortage of suitable labor for underground work continues and, in conjunction with lower price for gold and higher costs, has forced a further curtailment in scale of operation, which is now less than 30% of plant capacity, D. L. H. Forbes, president, states. Notwithstanding adverse conditions, satisfactory progress has been made in development and the mine is being maintained in excellent shape, he adds.

VINCENT APPOINTMENT

G. C. CHATAWAY

Norman Vincent, president of Vincent Mining Corp. and Fleet Manufacturing and Aircraft Ltd., announces the appointment of G. C. Chataway, C.A., as secretary-treasurer and comptroller of Fleet Manufacturing and Aircraft Limited. Formerly secretary-treasurer and comptroller of Fleet Aircraft, Mr. Chataway remains in a similar capacity with the new company. Member of The Institute of Chartered Accountants of Manitoba, Mr. Chataway received his chartered accountant training with the Winnipeg office of the widely-known firm of Riddell, Stead, Graham and Hutchinson. He later became associated with the audit branch of the comptroller-general's department of the Government of Manitoba, moving East in 1936 to serve as assistant treasurer and comptroller of Fleet Aircraft. He was appointed treasurer and comptroller in 1940 and secretary-treasurer and comptroller two years later. Assumption of control of Fleet Aircraft brings to eight the number of industrial companies now under Vincent Corp. control. Others include Mica Co. of Canada, Canadian Anodized Products, Universal Insulations, Continental Coal Corp., Maxson Food Systems, Bickle-Seagrave and Rollins Gear.

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Minister

A. E. CAMERON
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A Comprehensive Survey
Canadian Gold Mining Stocks
A statistical record of the producing gold mines listed on the Toronto Stock Exchange.
A copy will be mailed to interested Investors upon written consent.
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Mine Operators and Financiers
of which
JOHN M. BREWIS and ARTHUR W. WHITE JR.
are the Sole Partners
have been granted a corporate charter to conduct their business as from October 1st, 1946, under the name of
BREWIS & WHITE LIMITED
of which the Officers are

J. M. BREWIS, *President*
A. W. WHITE JR., *Vice-President and General Manager*
L. W. McILMURRAY, *Secretary-Treasurer*

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Time to Buy or Time to Sell?

Leading Investment Analysts Assess Stock Market Conditions in the Light of Two Months of Falling Prices

Selective cautious buying is likely to feature Canadian stock markets for some time judging from the opinions of market analysts queried by The Financial Post. Stocks are thought to be in stronger hands,—a fact which some expect to act as a stabilizing influence.

Wide variations were seen in the opinions. They ranged from a recommendation to "sell securities and stay out of the market" to advice to "go ahead and complete your buying program." These differences illustrate the uncertainty which exists in the minds of all investors.

Most analysts agree that a period of market irregularity lies immediately ahead. Even the most pessimistic expect rallies while the most optimistic would not predict a steady upward movement.

Chief reasons for calling a bear market seems to lie in an anticipated "profits squeeze," in the labor unrest and in the unsettled international situation.

The main agreement in the support of higher stock prices in the long run is expectation of increased production (and so profits) once the current wave of labor unrest subsides. A further strengthening factor is seen in the volume of funds still available for investment and the fact that stocks are thought in stronger hands. (Savings deposits in Canadian chartered banks were at a new high level of over $3,410 millions at July 31).

The Financial Post asked certain investment men to contribute their views on the probable trend of the stock market and particularly to cover the following questions:

(1) Do you feel that investors should buy or sell securities or stay out of the market?

(2) What are your reasons for your opinion?

(3) Do you see a great difference between short term and long term market trends at this time?

Comments of these investment men follow:

Col. F. H. Deacon

F. H. Deacon & Co. Toronto; Col. Fred H. Deacon: I rarely give an opinion on the securities market **in general** or on short term market trends. One can give a better opinion on individual cases where all possible facts may be obtained. Even when one has complete records from The Financial Post Corporation Service of companies operations, management and comparative financial positions during 25 or more years, there is still the risk of deterioration in calibre of management, new inventions making former methods obsolete changes in tariff or government policy which could make private enterprise too difficult for success.

Naturally, after a slump, which the New York financial papers called the worst in 10 years, there are opportunities for quick purchase profits even if the long view of the market is not favorable. Personally, I prefer clients to buy securities which are certain to give a profit of 50-100% within 1-3 years.

There are industrial stocks which have been listed on the Toronto market for 20-25 years that are selling at one-half their equity at the close of their 1945 year. Others are selling at one-half their prewar prices though with the same capitalization. Others have working capital alone in excess of selling price of their shares. Some stocks have had little decline from their quotations of eight months ago. In 1942 one could buy gold dollars for 25c. but sometimes it pays to buy them at 50c., which is about the present comparative price for some sound investments.

Interest rates will advance with the demand for building materials, motors and other comforts not now available because of labor unrest.

J. H. Copeman

Greenshields & Co., Montreal; J. H. Copeman: At the present level of prices I can see no reason why well-diversified lists of investment securities should be disturbed. Rearrangement of individual holdings is, of course, a continuing process under any market conditions. Fundamental factors, however, seem to be too strong to make advisable any general liquidation of portfolios and the assumption of a cash rather than an invested position, particularly at a time like this when the dollar is losing value. The recent setback in the markets and the resultant impairment of confidence suggest that a fairly lengthy period of irregularity may lie ahead. Accordingly great care should be exercised in the making of new commitments which are not warranted by special circumstances.

Goodwin Harris

Goodwin Harris & Co., Toronto; Goodwin R. Harris: With a 47-point drop in the New York Industrial averages being an accomplished fact, investors should use more than ordinary caution in the near term. There are two schools of thought on the course of the market, some believing we are now in a bear trend and others feeling that the sell-off already experienced is purely a readjustment, to be followed by a further advance later on. The market has already shown its ability to hold the line at 164.00—165.00 after several thrusts downward, and this strengthens the belief that further rallies are in the offing. It is too early to come to a definite conclusion on the long term trend of the market until further tests are experienced.

Inasmuch as each person's position is somewhat different, personal attention should be given to each customer's problems. In some cases it might pay to lighten up long stocks so as to cushion any further drops.

Short term and long term market trends are, of course, different. At the moment it would appear that the market has shown ability to withstand pressure and we are apt to see some rallies in the offing. The long term position may be reversed if the general trend is downward for a period of time. We believe that any depression that may come marketwise will be much shorter than theretofore, dependent upon the resumption of world trade and settlement of industrial strife on this continent. These are the factors, we believe, that will be of the greatest importance to any extensive period of prosperity in future.

H. B. Housser

H. B. Housser & Co., Toronto; H. B. Housser: With reference to future trends of Canadian markets:

1. We feel that the present time offers an opportunity to the investor to purchase selected securities on a value basis, which will assure a fair rate of interest together with possibilities of appreciation over a reasonable period of time.

2. In our opinion, the recent decline in stock prices has resulted in stocks passing from weak holders to strong holders. The 100% margin requirements of the New York market left no cushion of purchasing power except for the wealthy individual who was more or less able to choose the price at which he felt he was prepared to invest. It is a well-known fact that in a panic situation the rank and file do not buy stocks on a high margin basis, and accordingly we believe that stocks have gone into very strong hands.

3. As to the immediate market trend, this is anyone's guess, but it would seem reasonable to expect a considerable period of levelling off before any sustained advance should occur.

We, therefore, favor the purchase of securities today on a value basis by those who are prepared to see a fluctuating market for the time being, whom we believe will reap profits over a reasonable period of time.

Selected stocks, in companies where business prospects continue to be good and dividends secure, present opportunities for the future.

In our opinion, the recent break in the market to present levels offers many opportunities for the switching of securities whereby the individual's holdings may be improved.

W. D. Benson

R. Moat & Co., Montreal; W. D. Benson: It is questionable whether there has ever been a period in stock market history when supposedly well informed opinion has been more widely divided than during recent months, but those who have recognized the barometric value of the stock market, have once again been provided with an unqualified warning of, what the Ancient Mariner used to term "Breakers Ahead."

As far back as last August, warning signals were out and on Sept. 3 the existence of a major bear market could no longer be disregarded.

At this writing, following a decline ranging in the case of recognized stock averages from 20% to 35% from the year's high, which has eliminated some 35% to 50% of the ground gained in the 1942-1946 bull market, there obviously exists the possibility that a worthwhile rally may be expected to develop at any time, but, measured by precedent, the probabilities still favor lower average stock prices over the next several weeks or months. Therefore, while nimble traders may be justified in playing for short-term trading profits on the long side, it is my opinion that until such time as the market by its action proves that the major turning point has been passed, a high degree of caution should govern all market transactions.

Although the latent demand for many lines of goods—while much less than appeared on paper, due to duplication of orders—remains impressive, the area of keen competition is now clearly discernible and approaching rapidly, which brings us face to face with the problem of cost control.

In my opinion, it is anxiety over the ability of industry to successfully traverse the last phase of reconversion, involving a re-adjustment of costs and wages to peacetime standards, and at the same time maintain volume of operation and so make possible the maintenance of per share earnings, which has caused termination of the third longest bull market in history.

I conclude that the first panic phase of this bear market has been virtually completed, but I suspect that the final, if more orderly decline, has yet to be witnessed, indicating the probability of lower stock prices within the next three to six months.

Two prominent investment men responded to The Post query on condition that their identity be not revealed.

Analyst A

Toronto Market Analyst: The international situation, strikes, raw material shortages and price rises, have all resulted in a profits squeeze which has to date affected some industries more seriously than others. These uncertainties have caused a loss of confidence in the future course of earnings and the stock market, as always a good business barometer, has been forecasting trouble ahead in 1947.

Taking a theoretical approach to the recent market action, both price and volume indications in the New York stock market, have since Feb. 1946 signalled caution. After the first of June the yellow caution signal assumed a redder tinge and protective selling of speculative stocks should have been made. When the New York Dow-Jones industrials broke through their June resistance points in the latter part of August the sign went red and many traders cleaned up any remaining loose ends and started going short of the market. This action was subsequently confirmed by the drastic September decline, which cut about 25% from the industrial average. Since then we have had only slight interruptions in the downtrend. Canadian industrial stock trends have, as usual, very closely followed the lead of New York.

On the basis of the duration and the advance of the '42-'46 bull market, it would seem unlikely that the low points of the bear market which we have now entered would be reached this year. If a guess had to be made (and it is indeed a thankless job) it might be that the industrial market lows would be reached in the later part of 1947 and that the Dow-Jones industrial index would go down to the 125-150 levels.

While the action of the Canadian industrials should directly mirror the action of the New York industrials, it is believed that the Canadian golds will some time next year show independent strength in the face of further decline in the industrials. When this action of the golds takes place a golds buying range will have been attained and somewhat later bottoming action on the part of industrials, with extremely low volumes for an extended period, should give a green "GO" signal.

Thus, answering your specific questions:

1. Only investors who are in the strongest financial condition should buy even blue chips in this market. On the other hand, only nimble traders should sell short now. See paragraph 2 for proper short selling timing.

2. Answered above.

3. Sometime, probably before the November elections in the United States, we should have a fairly substantial upward secondary reaction in this bear market. Thus from a short term standpoint a trading profit might be made on the upside before the end of this year. However, it is believed that further deflation and shake-out not only in the stock market but in prices of commodities and wages will be necessary before the sound ground is reached from which a more constructive, if slower, advance can be made.

Analyst B

Toronto Market Analyst: My answer to your three questions is:

(1) Sell securities and stay out of the market.

(2) Costs are out of line with prices.

(3) I don't expect a resumption of the bull market for a year or more.

While we may have a fairly good market for awhile and while the volume of investment funds and more attractive yields may attract more investors back into the market, I would wait for a testing of the lows and for convincing evidence that the upward trend has been resumed before going back into the market.

J. A. MARTIN

of Waterloo, Ont., has been appointed a director of The Economical Mutual Fire Insurance Co., Kitchener, Ont.

Payne Takes Over Courageous Group

Payne Yellowknife Gold Mines has taken over control of the Minto group of 62 claims staked by Tom Payne and associates at Courageous Lake, N.W.T., The Financial Post is informed. Purchase price for this new find which shows blue quartz in a wide strong shear zone was $12,000 cash and 100,000 shares of treasury stock.

Lateness of the season made impossible anything more than a hurried examination of the show, but samples brought out show free gold.

The company has signed a new option and underwriting agreement with Mas Holdings whereby $50,000 will be provided under a firm agreement for 200,000 shares by Oct. 30, and an option taken on a further 200,000 shares at 75 cents. The option is exercisable within 60 days after completion of 2,500 ft. of diamond drilling on the Minto group, or by Aug. 15, 1947, whichever is the later date.

Privateer Tells Of New Mine

Total of 57,100 Tons of 0.40 oz. Grade Estimated so Far

Exploration of a gold prospect on Tranquil Creek, near the head of Tofino Inlet, west coast of Vancouver Island, by Privateer Mine has established "a reasonably assured mine," according to President D. S. Tait.

The property comprises 21 mineral claims held under option from Elmore Meredith of Vancouver, who acts on behalf of four private mining companies. It has received considerable exploration under Privateer this past summer.

A total of 55,100 tons of ore is now estimated as indicated with an average grade of 0.40 oz. gold per ton across a width of 5.0 ft.

Previous operators had driven tunnels at elevations of 1,900 and 2,100 ft. and Privateer has extended these tunnels and driven a new one at the 1,700-ft. horizon. All levels show good ore, it is stated, and at the end of August, work was continuing in ore at all three levels.

At the 2,100-ft. horizon, drifting has been carried for 285 ft. by Privateer making a total drift length of 391 ft. Previously, there had been estimated a length of 105 ft. averaging 0.46 oz. gold across an average width of 3.0 ft. An additional length of 100 ft. has now been developed averaging 1.13 oz. across 1.26 ft. with the face still in high-grade ore.

450 Ft. of Ore on 1,900

At the 1,900-ft. horizon, the drift has been extended a further 339 ft. to a length of 739 ft. The previous ore length was 400 ft. and this shoot has been lengthened out to 450 ft. averaging 1.00 oz. gold across an average width of 1.77 ft. An additional shoot, still open at the face, has been developed with a length to date of 160 ft. averaging 2.85 oz. across 1.07 ft.

The new level at 1,700 ft. has been advanced 146 ft. Owing to the nature of the ground, the foot wall vein only was exposed in the first 40 ft. At 40 ft. the hanging wall vein was intersected and carried good ore, it is stated. The next 40 ft. averaged 2.99 oz. across 2.15 ft. This may indicate the northerly end of an ore shoot extending to the south, it is thought. Values from 80 ft. to 140 ft. were subcommercial and the face is again in good ore, it is reported. This would appear to be the downward continuation of the first ore shoot occurring on the 1,900 level, Mr. Tait reports.

The total drifting to date is 1,275 ft. at three levels. Of this, 855 ft. is commercial ore or a percentage of 67%.

Open cuts at elevations of 1,550 and 1,425 ft. show the shear strong at those points with widths and grade of ore comparing favorably with that in the tunnels above.

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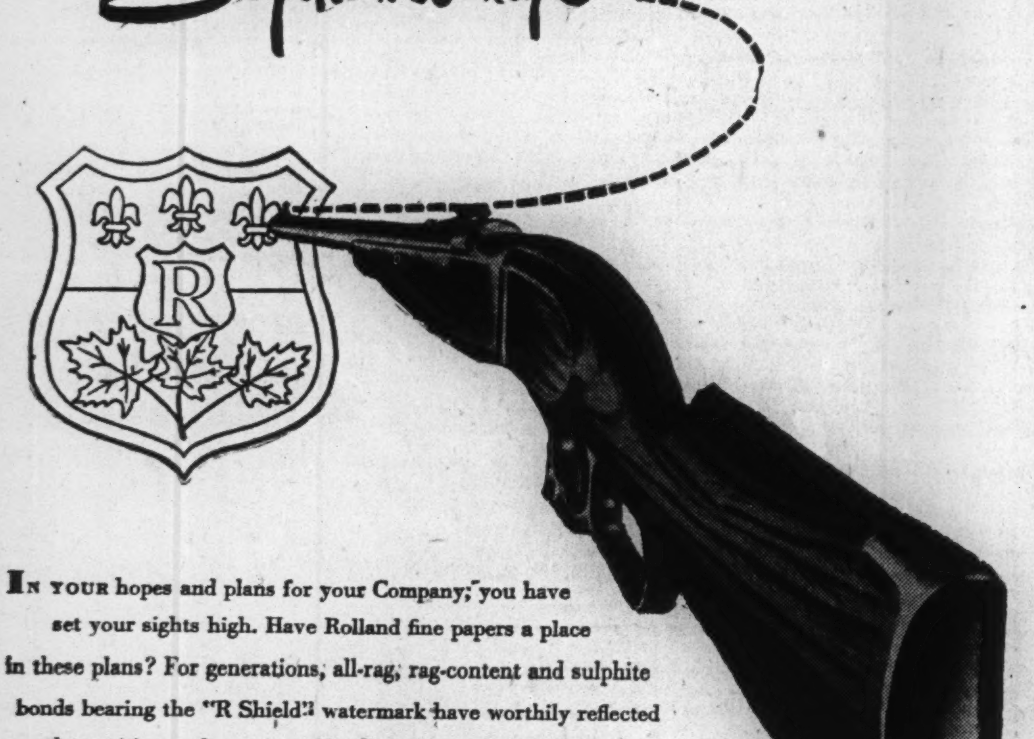

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